

SEPTEMBER 18, 1954

# foreign trade



ARGENTINA'S FOREIGN TRADE POLICY (page two)







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# foreign trade

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**cover** These gauchos are a typical sight in Argentina, where livestock and its derivatives account for a high percentage of the country's export earnings. Argentina takes the spotlight in the leading story in this issue (see page two), in which the Commercial Counsellor in Buenos Aires discusses the country's trade policy.

—Panagra Photo



# Argentina's Foreign Trade Policy

*Canadian businessmen dealing with Argentina should have a basic understanding of that country's foreign trade policy and the emphasis it places on compensatory trade agreements, on barter deals, on protection of local industry, etc. Here is an explanation of that policy and how it works.*

C. S. BISSETT, *Commercial Counsellor, Buenos Aires.*

ARGENTINE TRADE is subject to a comprehensive system of controls over both exports and imports. In the export field, the tendency is to seek balanced trade with individual countries rather than with currency areas. This is promoted either through bilateral compensatory trade agreements or through the foreign exchange permit system. In the import field, a permit system is used to restrict imports to products considered essential to the economy and which, at the same time, do not conflict with local industry.

Control is maintained through the Government Ministries of Commerce, Agriculture and Finance, and their commercial subsidiaries. Of the latter, the most important are the Instituto Argentino para la Promocion del Intercambio (commonly known as IAPI) operating through its control of export and import products, and the Argentine Central Bank, operating through its control of export and import and foreign exchange permits and rates.

## **IAPI and Its Functions**

IAPI has sole export rights to every important agricultural and to some pastoral products. Together these groups represented in 1953 over 90 per cent of Argentina's total export trade. The Institute also has sole import rights for an important number of products, both primary and secondary, which are highly essential to the economy.

Livestock and its derivatives, including dairy produce and cereals and their primary derivatives (including oilseeds and oils), are approximately equal in export value and, combined, account for the above 90 per cent of the export trade in a normal year. Both groups are controlled through a system of set prices. In the meat group, the packing plants act as agents of the Government and are guaranteed against operational losses by the payment of subsidies when required. In the cereal group, the price (f.o.r. Buenos Aires) to the producer for each type of grain is set at the beginning of each crop year. These set prices serve as a floor for domestic transactions and also are the maximum prices which IAPI pays to producers on exports. Accordingly IAPI controls a

very large sector of the country's foreign exchange earning capacity, through its position as sole buyer and seller of an important part of the production.

IAPI's control over certain imports is not nearly as far-reaching as it is over exports, but it covers an important number of key products and enables it to direct the flow of import trade within the limits of this group. This latter phase of control is completed by the Argentine Central Bank.

## **Central Bank's Part**

The Bank controls the issue of export, import and foreign exchange permits and sets the foreign exchange rates of the multi-rate system. This enables it to direct the flow of trade, both outward and inward.

Generally no product may be imported without a previous import and foreign exchange permit and none may be exported without a previous export permit. The latter becomes effective only when the buyer has established a letter of credit. The exceptions are a number of products listed in the treaties of "economic union" with certain South American countries, which recently were exempted from controls.

In the multi-rate foreign exchange system there are three standard rates applicable to both imports and exports, expressed in terms of the U.S. dollar or its current equivalent in other currencies. These, in pesos, are: basic 5.00, preferential 7.50, and "official free" 14.00. For imports the 5.00 rate is applied only to fuels. The 7.50 rate is applied to the great bulk of the remainder of the imports and the 14.00 rate to a few less essential products. For exports the 5.00 rate applies to the bulk of the combined agro-pastoral groups which (as noted) constitute about 90 per cent of the total exports, the 7.50 rate to most of the remaining exports, and the 14.00 rate to certain unimportant and mainly manufactured goods, an export surplus of which has been built up.

In addition to these standard rates, several non-standard rates have been set up to cover individual exports which could not compete effectively in international markets at the rate normally applicable to their respective groups. Such rates are a composite



of stated percentages of two of the three standard rates. For all financial transactions, excluding import and export, the 14·00 rate applies. These include remittances and receipts for items such as ocean and air freights and passages and other invisibles.

### **Characteristics of Trade Policy**

The above resumé indicates the mechanism through which the Argentine Government exercises effective control over foreign trade. The principal features are state trading in the form of compensatory trade agreements between governments; barter deals between Argentine official institutions, such as IAPI, and private entities in other countries; balanced trade, as far as is possible, with all individual countries; restriction of imports to essential goods, limited further by the total value of foreign exchange earnings, and heavy protection and encouragement of local industry. Though Canadian exports are subject to Argentine dollar restrictions, Canada is on an equal footing with the United States and other dollar suppliers with respect to the granting of import and exchange licences.

### **Compensatory Trade Agreements**

At present 24 compensatory trade agreements are in force and more are being negotiated. These cover most European countries, several in South America, and Japan. All were concluded on a government-to-government basis and account for close to two-thirds of Argentina's total import and export trade. All such treaties include an agreed list of products covering an annual interchange of an agreed value. Other products may usually be added subsequently by mutual agreement. The latter treaties normally provide for a revolving credit of a substantial amount which, if exceeded, must be balanced by the payment of free convertible exchange, usually the U.S. dollar, on agreed dates. Running produce accounts are maintained by the respective national institutions, such as the Argentine Central Bank. These agreements usually involve only book entries and do not require foreign exchange transfers until the agreed financial terms have been exceeded.

All such agreements are with soft currency countries, which constitute Argentina's major markets and take about three-fourths of its exports. Because of the similarity of production in the agro-pastoral field, the dollar area provides a limited market for the bulk of Argentine exports.

### **Barter Agreements**

There is little basic difference between these and the compensatory trade agreements. Minor differences are that they cover a single interchange of specified goods of stated value and that they are concluded between an Argentine commercial subsidiary, usually IAPI, and private concerns in other countries. Barter

agreements between private Argentine and foreign firms are practically impossible, because there is almost no Argentine product likely to be considered in such an interchange which IAPI does not control.

Theoretically, such deals are possible. However, the availability of a suitable product depends on three factors: one, whether or not it is already committed under existing compensatory trade agreements; two, whether it could be sold for freely disposable exchange, even when realized only within the buying country, and three, whether the product would open up a completely new market for that product or increase the present one substantially.

### **Protection of Local Industry**

In recent years, a great deal has been done to improve the conditions for the creation and growth of local industry. Argentina's war experience of being cut off from the sources of essential products, either because they were not available or there were no ships to carry them, impelled the creation of the present substantial merchant marine and the establishment of needed industries to lessen dependence on foreign sources of supply. Protection of all Argentine industries is a fundamental characteristic of present policy. It is carried out not so much through import tariff rates as through the import and foreign exchange permit system and the system of "certificates of necessity". These are required where an industry has been decreed "of national interest"—that is, when local production approximates local demand. For such products, no import and exchange permit application will be granted unless it is supported by such a certificate issued by the controlling Ministry.

In addition to the desire to protect domestic industry, the chronic scarcity of all types of exchange, both hard and soft, requires that it be directed to importing essential products not made locally, repaying commercial debts contracted in the drought years, and building up the exchange reserves.

### **Present Position**

All trade transactions are subject to control and are directed to soft and hard currency areas in the ratio of about three to one, in accordance with relative earnings. Domestic industry is heavily protected and imports are restricted. Generally, needed products are first sought under the compensatory trade agreements, next for soft currencies, and finally for dollars. The latter are the main support of the foreign exchange reserves so that dollar purchases have been appreciably less during the past eighteen months than have dollar sales. However, the recent substantial improvement in Argentine agricultural production and a much improved balance of trade and payments over the past year may result in more favourable prospects for Canadian goods. ●



# The Congo's Transportation Problems

*The next ten years should see communications within this great country vastly improved. Railway and road-building are going forward and air traffic within the colony and from outside points is increasing steadily. Transportation projects today have top priority.*

A. B. BRODIE, *Trade Commissioner, Leopoldville.*

IN A COUNTRY like the Belgian Congo which covers an area of nearly 926 thousand square miles and most of which lies some distance from the sea, communications, both internal and external, become of the highest importance. The Belgian authorities, aware of the problems involved in developing better transportation services, are tackling these problems ably and courageously. They realize that the tremendous mineral, agricultural and forest resources of the Congo can only be exploited to the full if efficient transportation services are built up. For this reason they are giving such projects top priority and are investing in them time, patience, and a good deal of money.

## Rivers Important in Commerce

The great rivers of the Congo have long served as one of its main avenues of communication. The Congo itself, with its upper course (the Lualaba) and its navigable tributaries—the Kasai on the left bank and the Ubangi and Itimbiri on the right are the most important—provides the country with 7,500 miles of navigable water, of which about 1,800 miles can be negotiated by ships of from 800 to 1,200 tons. Merchandise can go by river steamer from Leopoldville to Stanleyville (1,000 miles) on the Congo River and from Leopoldville to Port Francqui on the Kasai branch, to be forwarded to Elisabethville by rail.

In general, the railways, which cover about 2,850 miles, seem to supplement the rivers as a means of transport. To service the mining districts in the south and east and to circumvent some parts of the Congo which are not navigable, a network of railways has been built over the past fifty years. From Elisabethville (Katanga Province) railway lines were constructed to link up the rich mineral-producing Katanga Province with South Africa and the port of Beira in Mozambique, the seaport of Lobito in Angola and with the two river systems, the Kasai at Port Francqui and the Lualaba-Congo at Bukama. From the ocean port of Matadi (125 miles from the Congo estuary) to Leopoldville, the capital of the Belgian Congo, there is a series of rapids preventing navigation in the Bas-Congo below Leopoldville. Otraco, the government-owned railway and shipping organization, transports merchandise between these two points (225 miles).

At Leopoldville, the goods can be put on an Otraco river steamer for Stanleyville, Coquilhatville, Port Francqui and other destinations.

## Principal Railway Lines

The more important railway lines at present are:

1. Matadi-Leopoldville (225 miles)
2. Port Francqui (on the Kasai River)—Elisabethville and Northern Rhodesia (1,000 miles). (Note: Connection with Leopoldville is by river steamer from and to Port Francqui. This is one of the main arteries for commerce.)
3. Aketi (on the Itimbiri River) to Paulis. This railway serves the rich agricultural district lying north and northeast of Stanleyville.

Railway traffic in the last few years has continued to expand. In 1953, for example, the Katanga-Dilolo-Leopoldville Railroad carried freight totalling 1,374.4 millions of ton-kilometres, and its passenger operations totalled 127.6 million passenger-kilometres. Work is now going forward on a new railway line between Kamina and Kabongo (see map) and this link may be ready for use by the end of the year. Certain portions of the railway lines are also being electrified.

## Highway Transportation

Road transportation in the Congo is becoming more and more important. In 1946, the number of vehicles using the 59 thousand miles of roads stood at 11,500 passenger cars and trucks, 1,200 motorcycles, and 56,000 bicycles. These numbers have increased tremendously over the last six years. The official statistics at the end of 1952 showed that there were 35,600 licensed vehicles, 2,500 motorcycles and a fantastic total of 426,500 bicycles (more than seven times the 1946 figures). Meanwhile, the mileage of roads had only increased 27 per cent—to just under 75,000 miles, of which 47,135 miles were largely local in character.

During 1953 the Congo imported over 5,240 passenger cars worth 495 million francs, or about \$9.8 million.





The majority of these came from the following sources:

#### Passenger Car Imports

Country	Value
United States .....	283 million francs
Belgium .....	63 " "
Germany .....	37 " "
South Africa .....	29 " "
Italy .....	20 " "
France .....	17 " "

In addition, 62 passenger cars seating more than nine persons were imported; of these, 18 came from the United States and 27 from France. In 1952, 222 buses, (1950=49) seating more than 20 persons, were registered. These figures exclude specially equipped vehicles such as ambulances, 56 of which were imported during 1953. The official Congo statistics show the following different categories of trucks imported during 1953:

#### Imports of Trucks

Under 1 ton .....	694 (approx. \$1.1 million)
1-3 tons .....	1,814 ( " 3.9 " )
3-5 tons .....	708 ( " 1.5 " )
5 tons and over .....	1,451 ( " 3.7 " )

The 1952 registrations showed the Belgian Congo as having 19,005 trucks. Some 29 per cent of the registrations were very light trucks, 20 per cent trucks between two and three tons, 25 per cent between three and four tons, and better than 20 per cent of the larger types. Of total imports of 108,249 bicycles during 1953 (worth about \$3 million), 44,947 came from Belgium, 40,905 from the United Kingdom, and 10,980 from Germany.

#### Use of Vehicles Increasing

Although these statistics do not indicate dense traffic in the Belgian Congo—a country one-third the size of the United States and 80 times larger than Belgium—it is evident that the use of vehicles as an economic means of transportation is increasing and that the number of road-users will rise as the road-building program progresses. The main task is now in hand. The Belgian Congo Ten-Year Plan calls for 5,700 miles of first-class arterial roads and a further 2,000 miles of secondary roads. This is still far short of covering this immense country, but road transportation is not practicable nor economical in all parts of the



Congo. The authorities plan to have about 3,000 miles completed by 1960.

The arteries to be built under the Ten-Year Plan will be designed to feed the railroads and river embarkation points with traffic. For example, the central east-west artery will run from Bukavu (previously called Costermansville) to Leopoldville and Matadi, feeding the down-flowing Lualaba and the upstream rail head at Luluabourg. The materials to be used on these new roads will be gravel and asphalt (approximately 2,115 miles) and plain gravel (5,160 miles), with a small mileage of concrete surface roads.

### **Approach by Sea**

The Congo authorities are also interested in maintaining and improving the transportation services to the Congo from outside points. At the moment the colony is well served by sea and by airlines from Europe, North America and other countries.

The normal surface approach to the western part of the Congo is by sea to Matadi with daily rail transport connection (except Sunday) to Leopoldville (about 11 hours). Elisabethville (Katanga Province) can be reached without visiting Leopoldville by disembarking at the port of Lobito in Portuguese Angola. From there the Benguela railway provides transport, entering the Congo at Dilolo and moving eastward to Elisabethville.

### **Airline Services**

Four international airlines have services to the Congo. Sabena and Pan American World Airways land at Leopoldville; Royal Dutch Airlines (KLM) and Air France touch down at Maya Maya airfield in Brazzaville, French Equatorial Africa. (Brazzaville is across the Congo River from Leopoldville and can be reached in 20 minutes by ferry.) The schedules may be summarized as follows:

#### *Sabena*

Brussels-Leopoldville—Nine planes a week. Usual route is Brussels-Tripoli-Kano-Leopoldville. Some planes stop off at Lisbon and Rome.

Brussels-Elisabethville (via Entebbe)—Two planes a week.

Brussels-Stanleyville—Two planes a week.

#### *Pan American World Airways*

New York-Azores-Lisbon-Dakar-Monrovia-Accra-Leopoldville-Johannesburg—Bi-weekly service.

#### *The Royal Dutch Airlines (KLM)*

Amsterdam - Tripoli - Kano - Brazzaville - Johannesburg—Bi-weekly service.

### *Air France*

Paris-Algiers-Douala-Brazzaville—Four planes a week.

### **Internal Air Services**

The larger centres in the Congo are connected with each other by a well maintained air service. The main interior lines are:

1. Leopoldville - Luluabourg - Elisabethville. Four planes a week.

2. Leopoldville - Colquihathville - Libenge - Stanleyville. Six planes a week.

3. Leopoldville - Matadi - Moanda. Two planes a week.

4. Leopoldville - Usumbura - Bukavu. Four planes a week.

During the next few years, the Belgian Congo will be much occupied with all these transportation problems. It is expected that the services will improve year by year and within a decade the results achieved and the savings made possible should outweigh the cost of the program.

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### **Chile Exports Sulphur**

Chile would like to expand its sulphur exports to make up for the downward trend in its copper sales. The most important sulphur deposits in the country lie high up in the Andes Mountains, which means that they cannot be worked during certain periods in the winter season, and transport is rather difficult and expensive. These factors, combined with antiquated equipment, make it difficult for the owners to produce profitably more than 120 thousand tons a year at a cost of between Ch.\$8,300 to Ch.\$9,000 a ton. This compares unfavourably with the current price of sulphur produced in the United States, about US\$32 a ton. Sales depend on the international situation and the price fluctuates; many fortunes have been made in the past, especially in 1950, when a ton sold for US\$196.

Recent barter agreements have enabled producers to export economically. Shipments have already been made to the U.K., in exchange for which Chile will, at some future date, receive station wagons. Current Chilean import restrictions provide artificially large profits which will help to subsidize the sulphur producer. Chile has also concluded negotiations to sell 40,000 tons of sulphur to both Germany and Italy under barter schemes.



# Trading with the Sudan

*Internal difficulties have depressed trade in this area and dollar income also fell. Sales to Canada largely consisted of cottonseed and purchases from Canada of automobile parts and farm machinery.*

A. G. KNI EWASSER, *Acting Trade Commissioner, Cairo.*

THE SUDAN has, for the past few months, been passing through a transitional phase and the associated political and economic difficulties have had a depressing effect. Business throughout the country is suffering from lack of confidence and the result is that importers are curtailing their operations and using up stocks. During the year, total imports fell from £E.61,696,000 to £E. 50,668,000.\* Exports, on the other hand, remained at approximately the 1952 levels. The adverse balance of trade on merchandise account was consequently reduced from £E.18,925,000 to £E.6,258,000.

## Import and Export Record

Cheap cotton piecegoods are the Sudan's most important import, supplied mainly by India and, to a lesser extent, the United Kingdom. Purchases fell sharply over the year—to £E.4.8 million, compared with £E.9.6 million in 1952. Other important imports (1952 figures in brackets) were: sugar, £E.3.8 million (6.2); petroleum products, £E.3.1 million (3.3); synthetic textiles, £E.2.8 million (2.6); coffee, £E.2.2 million (2.4); motor vehicles, £E.2.1 million (1.9); flour, £E.1.4 million (1.4). Purchases from Canada amounted to £E.4.2 thousand and consisted principally of replacement parts for motor vehicles and farm machinery.

During the year the Sudan's principal suppliers were the United Kingdom, India, Italy and Germany. It is significant that Egypt became the Sudan's second most important source of supply, rising from fourth place in 1952. The following table summarizes the country's trading position during 1952 and 1953.

	(in Egyptian £)			
	Imports		Exports	
	1952	1953	1952	1953
United Kingdom .....	20,993	21,601	23,666	18,165
India .....	7,807	3,972	3,135	5,647
Germany .....	2,011	2,706	1,976	4,692
Egypt .....	4,532	4,215	2,994	2,465
Italy .....	5,137	2,998	1,586	2,717
France .....	981	1,300	3,356	2,957
Netherlands .....	3,378	1,868	827	1,502
United States .....	1,750	1,324	890	1,089
Ethiopia .....	943	1,159	405	498
Taiwan .....	703	1,191	—	—
Total, all countries .....	61,696	50,668	42,771	44,410

\*Egyptian currency is used throughout the Sudan.  
£E.1—\$2.81 Canadian (approx.)

Both long staple and shorter staple American varieties of cotton are produced and exported by the Sudan. Prices fell sharply during 1953, but larger tonnages were shipped and total receipts amounted to £E.26.8 million, close to the previous year's figure of £E.29 million. Other important items (1952 figures in brackets) were: cottonseed £E.3.1 million (2.5), gum Arabic £E.3 million (2.5), and peanuts, £E.2 million (1.1). Approximately 97 per cent of the Sudan's exports are sold for soft currencies; dollar exports amounted to less than £E.1.3 million, with sales to Canada accounting for only £E.11.2 thousand of this figure.

According to Sudanese statistics, cottonseed was the only commodity shipped to Canada during the year. Canadian importers did, however, purchase a few other Sudanese products (such as gum Arabic) from the United Kingdom.

## Business Prospects

Because less than 3 per cent of the country's total exports are sold by the Sudanese for dollars, imports from the dollar area are rigidly controlled. At the present time, dollar import licences are being issued only for such essentials as replacement parts for motor vehicles, machinery and aircraft; rubber tires and tubes; lubricating oils and greases; motor vehicles, and certain types of road-building and mining machinery not available from soft currency sources.

Over the past year the Sudan's exports of gum to the dollar area have increased moderately and this trend, together with the likelihood that in future a growing proportion of her export trade will be handled directly by Sudanese, may lead to greater dollar resources. The country's natural markets, however, lie principally in the United Kingdom and other soft currency countries, and it is difficult to foresee anything short of sterling convertibility that would greatly improve conditions for Canadian exporters. Should sterling become freely convertible, the Sudan would at once present a number of interesting opportunities for exporters of capital goods and materials required for development programs. ●





# fairs and exhibitions

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## Scientific Instruments in the Showroom



CANADA'S SCIENTIFIC INSTRUMENTS INDUSTRY has developed rapidly since the war, and during July and August it demonstrated its growth and displayed its products at the Canadian Showroom in Rockefeller Center, New York. The seven manufacturers represented in the exhibition, which opened in the last week of July and closed at the end of August, were well pleased with the attention their products attracted from technical and professional people. Among the visitors were purchasing directors for large organizations and institutions and for the armed forces.

Most of the firms sent representatives to staff their displays and the business visitors appreciated the accurate technical information they were able to obtain from them.

The products for use in the various sciences shown included precision equipment for handling radioactive materials; chemical, electrical and mechanical scientific apparatus and testing equipment; thermo-gauges; instruments for the geo-sciences and for extremely fine calibration work and precision measuring. The famous Canadian Cobalt 60 Beam Therapy Unit was repre-

sented by a small model, a radioactive rock was provided to show a geiger counter in action, and the accuracy of one firm's high sensitivity temperature controller was demonstrated by a heat lamp which reacted to the slightest breeze.

Although Canada had good instrument men before World War II, their work was limited to the repair of imported equipment. But the war brought a demand for quantity production of quality goods normally available from sources then cut off or already overwhelmed by orders. The wartime growth has continued in the postwar years and the migration of many European scientists and skilled workers to Canada has helped the Canadian firms to enlarge their staffs and step up their production. In addition, the armed forces trained large numbers of men in the use and repair of precision instruments.

Well satisfied with the results of their New York exhibition, the scientific instruments industry hopes to return to the Canadian Showroom next year.

## Scottish Industry Parades Its Progress

TO SHOW that Scotland can make it, show it and sell it was the purpose of the Scottish Industries Exhibition which opened in Glasgow on September 2nd and closes September 18th. Planned for five-year intervals, the last Exhibition was held in 1949 and brought Scotland £10 million worth of orders from all over the world. This year more than 300 firms, drawn from 100 different industries, took part and many others had to be refused because of lack of space.

Both old and new firms had exhibits and almost all of them were actively concerned with exports. Fashion parades and industrial presentations were held in a 3,000-seat arena.

## Detroit Introduces

AN IMPRESSIVE DISPLAY of new products, methods and patents will form the nucleus of the New Products Show which opens in Detroit's Veterans Memorial Building on October 19 and continues until



the 22nd. Assembled by the U.S. Department of Commerce, the display is being brought to Detroit to make new manufacturing opportunities available to Michigan firms and thus help to diversify the State's industry and create more jobs. Three hundred Michigan manufacturers who produce basic materials or who have developed new methods, processes or components from which new end products can be made, are being urged to exhibit at the Show.

### **Preliminary Announcement**

WASHINGTON STATE INTERNATIONAL TRADE FAIR will be held again in 1955; tentative dates are March 18-April 1. The Fair is primarily intended for exhibitors from the Pacific rim and Asia, but Canadian firms will be welcomed. Details will be published when available.

### **German Industry at Berlin**

THE FUNKTURM FAIR GROUNDS in West Berlin will be the site of the Fifth German Industries Exhibition, to be held from September 25 to October 10th. The exhibits will occupy 125 thousand square feet in eleven exhibition halls and ten pavilions, and 700 thousand square feet of outdoor space. Products on display will include minerals, chemicals, iron and steel, non-ferrous metals, electrical machinery, radios and television, precision and optical instruments, photographic equipment, office machinery, general machinery, iron and metal goods, furniture, glass, porcelain and ceramics.

Foreign participation is expected at least to equal last year's when a number of countries, including the United States, sent displays.

### **Fair Calendar**

#### **CANADA AND THE U.S.**

*Association of Iron and Steel Engineers' Exhibition*, Cleveland, September 28-October 1. For information: Mr. T. J. Ess, Managing Director, 1010 Empire Bldg., Pittsburg 22, Penn.

*18th Biennial Southern Textile Exposition*, Greenville, South Carolina, October 4-8. For information: Bertha M. Green, Southern Textile Exposition, P.O. Box 1323, Greenville, South Carolina.

*8th National Chemical Exposition*, Chicago, October 12-15. For information: James J. Doheney, Manager, National Chemical Exposition, 86 East Randolph St., Chicago.

*30th Annual Ontario Hospital Equipment Exhibition*, Toronto, October 25-27. For information: Assistant Secretary, Ontario Hospital Association, 135 St. Clair Ave. W., Toronto.

*Dairy Industries Exhibition*, Atlantic City, October 25-30. For information: Dairy Industries Supply Association Inc., 1108, 16th St. N.W., Washington, D.C.

*Business Equipment Show*, Montreal, November 2-4. For information: Mr. Ralph Stirling, Brandram-Henderson Ltd., Box M, Station E, Montreal.

#### **OVERSEAS**

*5th Oran Trade Fair*, Oran, October 2-17. For information: The Societe Commerciale d'Organisation de Foire, 6 rue l'Hotel de Ville, Oran.

*International Plastics Exhibition*, Oslo, October 5-17. For information: Forening for Norsk Plastindustri, Munkedamsveien, 53B, Oslo.

*International Trade Fair*, Tunis, October 6-31. For information: Foire Internationale de Tunis, Palais Consulaire, Avenue Roustan, Tunis.

*41st International Motor Car, Cycle and Sports Exhibition*, Paris, October 7-17. For information: Chambre Syndicat des Constructeurs d'Automobile Grand Palais, Avenue Alexandre, 111, Paris 8e.

### **For Medical Men**

ONE HUNDRED AND TWENTY leading British manufacturers of ethical medical preparations and equipment, surgical instruments and hospital equipment will invite inspection of their products at this year's London Medical Exhibition. It will be held in the Royal Horticultural Hall from November 15th to 19th.

Official invitations may be obtained by medical men and hospital officers from the organizers, The British and Colonial Druggist Ltd., 194-200, Bishopgate, London, E.C. 2. Professional men and buyers from overseas will be welcome.

### **Colombia Plans for Future Fairs**

THE GOVERNMENT OF COLOMBIA, assisted by industry, has recently set up a permanent "Corporation of Fairs and Expositions", with an initial capital of two million pesos. The stated purpose of this body is to "promote knowledge of the industrial and agricultural wealth of the country by means of national fairs and expositions". With this purpose in mind, the Corporation will take over the organization of Colombia's first International Trade Fair, to be held in Bogot  this fall.



# Venezuelan Agriculture Prospers

*Production of most major crops and of the dairy industry has risen substantially, thanks in large part to the Government's use of oil revenues to assist the growth of agriculture as well as other industries; agricultural imports are still necessary and Canada shares in the market.*

D. B. LAUGHTON, *Acting Agricultural Secretary, Caracas.*

"SOWING THE OIL" is the term applied to the Venezuelan Government's policy for promoting the country's economic growth by investing a large part of its oil revenue in the development of domestic industries. As applied to agriculture, this policy undoubtedly has accounted in a large part for the country's increased production of a wide range of crops.

During the past growing season the corn and potatoes harvest was 15 per cent greater than average; coffee production, as gauged by exports, advanced almost 50 per cent, and more cacao was exported than in any of the past four years. The production of milk and dairy products and tobacco and cotton fibres increased, and the three principal oilseed crops—sesame, cotton seed and coconuts—also were larger. Although the rice crop was down by 7 per cent, it was still the second highest yield on record.

Despite these successes, Venezuela is still heavily dependent on imported agricultural products. Over 16 per cent of the value of all imports in 1953 was for foodstuffs, at a cost of US\$68.7 million. In addition, the country imported quantities of primary materials such as animal-feed ingredients and linseed oils. Another substantial category of imports was farm production aids and essentials, such as purebred livestock, seed potatoes, farm machinery, fertilizers and pesticides.

## • Dairy and Poultry Products

The Government has continued with its plan to help the dairy industry expand, and production increased in all lines. Some 1,500 head of purebred breeding stock were imported in 1953 and one-half of these would be dairy animals. Credits and grants to offset the high transportation charges helped to make these imports possible, and government sponsorship of several agricultural shows aroused further interest in high-quality animals. The subsidy of \$2.00 per 100 lb. of milk delivered to pasteurizing plants was also continued. Considering these aids to the producers, it is not surprising that milk production increased by an estimated 10 per cent.

**Preserved Milk**—During 1953, Venezuela spent \$25 million on imports of preserved milk. Statistics do not

show the breakdown by type of the gross imports, which totalled 74.4 million pounds, but it is estimated that 90 per cent was whole milk powder, 5 per cent condensed and evaporated, and 5 per cent skim milk powder. Most of the whole milk powder is shipped in consumer-size tins for retail sale; the skim milk is brought in in bulk for food manufacturers and the animal-feed industry. Approximately 70 per cent of the imports came from the United States, 16 per cent from Canada and 14 per cent from the Netherlands.

Venezuelan production of preserved milk is confined to the output of one powdering plant, but two others are to be constructed in 1954. These could double current production which amounted to 7.4 million lb. in 1953. Competing imports of whole milk powder have been effectively regulated by waiving the 6.8 cent-per-lb. duty on six units of imports only when one unit of local powder is purchased. It is now claimed that stocks of domestic powder are accumulating and that this ratio must be reduced if the present intake of fresh milk is to be maintained. Results of the Government's investigation of this claim are being awaited with interest because the immediate effect of such a step would be a reduction in imports.

## Venezuelan Supply of Dairy Products

(Gross metric tons—2204 lb.)

	Butter		Cheese		Preserved Milk*	
	Prod'n	Imports	Prod'n	Imports	Prod'n	Imports
1953	1,582	946	27,000	4,534	3,380	33,791
1952	1,324	3,834	26,000	4,838	3,458	33,071
1950	1,338	3,850	26,000	2,590	1,536	30,447
1948	1,721	2,424	24,000	2,174	1,650	24,570

\*100 per cent of "production" and an estimated 90 per cent of "imports" is whole powdered milk.

**Butter**—Consumption of butter in Venezuela began to decline three years ago when locally manufactured margarine became available and import duties were raised to 30¢ per lb. Although the total butter supply reached a new low in 1953, production within the country increased by almost 20 per cent. The Ministry of Development licensed the import of only 2.2 million lb. last year, but has announced that the quota will be raised to 3.3 million for 1954. The principal supplier was Denmark which now has 85



per cent of the market. However, recently 30,000 lb. were imported at subsidized prices from United States' surplus stocks. Continuation of this movement could radically alter the supply pattern.

**Cheese**—Venezuela produces an estimated 60 million lb. a year of a low-fat white cheese and imports 10 million lb. of various types. Among the most favored are Gouda and Edam from the Netherlands, Parmesan and Sbrinz from Italy and Argentina and processed cheese from the United States. The cheddar cheese for which Canada is noted is not too popular; the trade estimates annual sales at less than 100 thousand lbs.



*This old stone corral symbolizes the older and primitive type of agriculture in Venezuela. Today the Government is working to raise dairy production by importing purebred breeding stock and continuing the subsidy on milk delivered by dairy farmers to pasteurizing plants.*

**Poultry and Eggs**—The Poultry Association in Venezuela has received excellent co-operation from the Government in its efforts to establish a strong industry. Long term, low-interest loans are available to producers, poultry meat imports are practically prohibited and fixed prices have been established in the major markets. These measures have stimulated a demand for baby chicks, for which the quarterly import quota is 1.6 million. It is now claimed that incubator capacity in Venezuela can meet the demand, and apparently the only obstacle to complete self-sufficiency is the supply of eggs from disease-free flocks. At present, there are probably no more than 20,000 hatching eggs available a week, while over 100 thousand would be required.

**Venezuelan Poultry and Egg Imports**

	1953	1952	1950	1948
Poultry meat (metric tons) ....	27	293	2,174	1,243
*Shell eggs (30 doz. cases)	490,000	513,000	440,000	260,000

\*Conversion from gross metric tons on basis one 30 doz. case weighs 22.7 kilograms.

Statistics on the production of shell eggs have not been published, but import data reflect the demand which has obviously been increasing much faster than the supply. Canada has an important place in the market and in 1953 shipped 70,000 cases valued at \$988 thousand. This is still only 13 per cent of Venezuela's total egg imports. The United States continued to be the principal supplier with 83 per cent of the market, but both Canada and Denmark are again increasing their sales this year.

**• Cereal Grains and Products**

**Corn and Rice**—These are the only cereals produced in Venezuela. The country is normally self-sufficient in corn with production averaging 310 thousand metric tons. This year the harvest has been exceptional, and the surplus is estimated at 40,000 tons which has strained all the available storage and drying capacity. To relieve this situation, a barter was arranged with Panama by which 700 tons of Panamanian sugar were exchanged for an equal quantity of Venezuelan corn. In addition, the government-owned Agricultural Bank is constructing two new elevators with capacity for 35,000 metric tons.

Rice is an important basic food in Venezuela, and with the assistance of large loans and grants excellent progress has been made toward the goal of self-sufficiency. Meanwhile, consumption has also expanded and imports are still the rule rather than the exception, although the gap is now no more than 10 per cent. The United States is the traditional supplier.

The Agricultural Bank is the only organization licensed to import either corn or rice, and in exchange for this franchise has been required to establish floor prices. As Venezuelan production costs are generally higher than world market prices, the import restriction on these products is likely to continue.

**Principal Venezuelan Cereal Imports**

(Gross metric tons—2204 lb.)

Year	Cleaned Rice	Wheat Flour	Milled and Feed Oats	Malted Barley
1953 .....	6,600	133,400	13,500	23,000
1952 .....	2,500	123,500	13,000	20,100
1950 .....	27,600	113,180	11,700	16,400
1948 .....	25,300	92,200	6,900	9,100

**Wheat Flour**—Venezuela participates in the International Wheat Agreement and has a crop-year import commitment of 170 thousand metric tons, or approxi-



mately 2.7 million sacks. Usually this is taken in the form of flour originating in the United States or Canada. During the past four years, Venezuela wheat flour consumption has increased by 50 per cent and in the calendar year 1953 reached three million sacks valued at \$17.3 million. Flour imports require licences which are issued by the Ministry of Development on a quarterly basis, following application by the end-user.

Both private interests and official bodies have again been considering the economics of a flour milling industry in Venezuela. So far, most parties have been discouraged by the high initial investment and the numerous obstacles to an efficient operation. These conditions may change in 1955, however, with the expiry of a clause in the trade agreement with the United States which regulates the import duties on flour and has thus circumvented the tariff protection which Venezuela normally grants to infant industries.

*Milled and Feed Oats*—Oatmeal is a popular food in Venezuela, despite the tropical heat, and an estimated 50 per cent of the total volume of imported oats is in this form. Venezuelan statistics for 1953 show a gross weight for oat and oat product imports of 29.6 million lb., valued at \$2.3 million. The United States obtained \$1.5 million of the business and Canada most of the remainder.

*Malted Barley*—Beer production in Venezuela has doubled since 1949, and although the rate of increase is now declining, the volume is continually growing. A few years ago, some 40 different brands of beer were imported, but higher duties have now secured the entire market for local producers. As a consequence, Venezuela spent over \$4 million on imports of barley malt in 1953. Canada has a poor hold on third place as supplier; the United States enjoys almost 85 per cent of the trade.

### ● Other Imports and Exports

*Coffee*—In 1953, Venezuela exported a record 44,500 metric tons of coffee which earned \$47.5 million. This was almost a 50 per cent gain over 1952, but nevertheless a further increase of at least 20 per cent is expected this year.

The United States continued to be Venezuela's best coffee customer and took some 80 per cent of total exports. Venezuela has recently been negotiating bilaterally with several European countries to have them resume their prewar level of coffee purchases in order to reduce its dependency upon one market. Meanwhile, the high world prices have been reflected locally and in Caracas supermarkets one-lb. tins have recently been selling for \$1.68.

### Venezuelan Coffee and Cacao Exports

(Gross metric tons—2204 lb.)

	1953	1952	1950	1948
Coffee .....	44,100	30,300	18,600	35,900
Cacao .....	15,500	15,100	15,400	13,600

*Cacao*—Several years of good prices, and exports averaging some 15,000 metric tons, have considerably strengthened the cacao industry in Venezuela. The cultivated area is probably no larger, but plantations are generally in better condition. There is less disease, and cuttings of new high-yielding varieties introduced by the Department of Agriculture will soon start bearing.

To assure a place in world markets, the Government has recently tightened its export inspections and is considering several methods of bonusing the production of high-quality fermented cacao. The domestic demand is now somewhat larger as a result of tariff protection provided for local manufacturers of both cooking and eating chocolate.

*Potatoes*—Venezuela consumes about 70,000 metric tons of potatoes a year. The domestic crop, which is harvested in February and March, meets the demand for about five months but potatoes must be imported for the rest of the year. Because production costs are high in Venezuela, potatoes are subject to import licences, which are never issued until the local crop has been sold at good prices.

The 1954 potato harvest is estimated at 35 to 40,000 metric tons, the largest ever for Venezuela. As a result, this year's licences will not be granted until September, instead of in June or July. The United States, the Netherlands and Canada are normally the main suppliers of table potatoes, and the placing of business is almost entirely based on landed price. The duty of \$2.50 per 100-lb. sack tends to equalize the price differential between imported and domestic potatoes.

Experiments have been made in Venezuela for several years to determine the varieties which give the best growth and yield in dry-season planting. Similar work has now been started for the wet season (May to October) which, if successful, would reduce by at least 50 per cent the dependency upon imports of some 30,000 metric tons a year.

### Venezuelan Seed and Table Potato Supply

(Gross metric tons)

	1953	1952	1950	1948
Seed potatoes: Production .....	nil	nil	nil	nil
Imports .....	6,800	7,300	5,130	3,382
Table potatoes: Production .....	26,000	23,800	22,900	16,000
Imports .....	30,900	34,600	38,400	23,000



Seed potato importation is strictly controlled by the Ministry of Agriculture which every year acquires about 100 thousand crates of small-size certified seed which are re-sold at cost to the growers. Bliss Triumph, Sebago and Pontiac, respectively, are the most popular varieties, and Canada's Maritime Provinces are the traditional source of over 90 per cent.

Venezuela is in a strong economic position, based principally on its oil production averaging 1.8 million barrels a day and its iron ore exports of 2.5 million metric tons a year. Although domestic production of foodstuffs and primary materials is increasing, the demands of a larger population with a higher standard of living will require a variety of imports for many years to come.

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## Canadian Outboards in Malayan Waters

IN SIX YEARS the outboard motor has caused something of a revolution in the fishing industry and in water transportation in Malaya and British Borneo. Prewar, about 50 outboards a year were sold. In the peak year of 1952 nearly 6,000 engines were imported, of which 4,000 came from Canada; last year, of Malaya's imports of 5,000, Canada supplied more than 3,000. Present indications for 1954 are that the total will be about the same as in 1953 and Canada's share of the imports may be larger. Malaya is by far Canada's most important customer for outboards and this trade is worth between \$500 thousand and \$650 thousand a year.

### Emergency Creates Market

The emergency brought on by Communist terrorist activity was the big impetus behind the popularity of the outboard motor. Police and security forces use them extensively for river and inshore patrols to combat smuggling and to get from one place to another quickly. The emergency also brought curfews and restrictions on movement to certain sections of the coastal fishing industry. Outboard motors made these fishermen independent of wind and tide, which normally would hamper control measures.

The advantages of this form of locomotion soon became apparent to others who use rivers and coastal waters for transporting goods. Malaya and particularly British Borneo suffer from a lack of road and rail facilities and rivers are used extensively by isolated communities to bring produce to the coastal towns and take provisions and other necessities back to their inland homes. Sarawak is said to have the highest number of outboard motors per capita anywhere in the world. Jungle-dwelling Dyaks attach them to their dugout canoes and travel hundreds of miles up river and a trip that would normally take days now takes hours. Big rubber and timber estates use them

for their operations in the hinterland. The Shell Company has several hundred outboards at its oilfields in Seria, Miri and Brunei. And fishermen are able to bring in two and sometimes three catches a day instead of one. The Rural and Industrial Authority, government agency whose purpose is to assist the more backward communities, has purchased and distributed a good many motors to fishermen and other communities.

### Barter Transactions

The better known manufacturers are represented by European (British, Dutch and American) trading concerns who import for re-sale to their appointed dealers. A dealer, usually Chinese, is often the most important general merchant in a community and it is common to find that his business has been handed down through three or four generations. The unusual feature of such a business is that the dealings between merchant and fisherman or farmer are all on a barter basis; seldom is money used. The Dyak who gathers catch or the Malay fisherman brings his produce to the Chinese dealer who in return gives him clothes or rice or other necessities. When an outboard motor is traded, there is of course a considerable amount of credit involved.

There are no figures available to show the number of outboard motors in use but a reasonable guess based on import statistics is 15,000 in Malaya and 10,000 to 15,000 in British Borneo. Manufacturers' representatives think that the peak in sales has been passed unless the revolution extends to Indonesia, Siam and Burma—traditional entrepôt markets for Singapore and Penang. But there is no doubt that replacements will be required and the market for spare parts grow with time, as well as with the number of outboards in use.

—D. S. ARMSTRONG,  
*Trade Commissioner, Singapore.*



# Cuba Fosters Its Textile Industry

*Cuba now makes the majority of her own cotton textiles and is expanding into new textile lines; exports of rayon tire cord made there find an important market in Canada.*

W. R. VAN, *Assistant Commercial Secretary, Havana.*

THE CUBAN TEXTILE INDUSTRY today represents an investment of over \$40 million. It is a comparatively new industry, a little over twenty years old, but it has progressed steadily and has won an important position. Before 1927, low tariffs on imported textiles discouraged the setting-up of a local industry. In that year, however, the revised Cuban customs tariff provided for higher duties on imported textiles. The local industry received further protection at the more recent tariff negotiations at Torquay under the General Agreement on Tariffs and Trade.

## Growth since 1931

It was not until 1931 that the first Cuban textile mill, a cotton weaving plant, began operations. This mill, near Havana, is still the largest plant in Cuba spinning and weaving cotton piece goods and it employs over 2,400 workers. A second weaving mill was opened in 1936. Before the establishment of these two mills, Cuba depended wholly on imports of all types of textile products to meet domestic demand.

A "new industries" decree in 1945 gave further aid to the local textile industry. By this law, all new industries were exempt for an extended period from import duties and taxes on machinery and raw materials of types not produced in Cuba.

In 1946, Cuba's one woollen and cashmere piece goods mill opened. These products receive good market acceptance though the Cuban climate tends to limit demand. A rayon plant producing tire cord, staple

fibre, and filament textile yarn was established in 1948, marking a new stage in the development of the Cuban textile industry.

## Cotton and Rayon

Today the industry consists of four cotton and four rayon textile mills, together with four tricot knitting mills and one woollen and worsted mill. It has approximately 3,000 looms, 110 thousand spindles, and 22 warp knitting (tricot) machines, and employs over 7,000 workers.

The industry emphasizes the production of cotton and rayon textiles. The annual output of cotton piece goods is estimated at 55 million yards, nearly 55 per cent of local consumption. Included in this figure are approximately 12 million cotton bags manufactured annually for refined sugar and other industrial and agricultural products. The cotton piece goods are either of plain or twill weave, mostly the former. Cotton prints are not yet produced in Cuba, although it is expected that one of the cotton textile mills will start production some time this year.

Although the rayon mills have the machine capacity for an annual production of 12 million yards of rayon piece goods, output recently has averaged about five million yards a year. The total annual productive capacity of the one plant producing rayon tire cord, filament textile yarn, and staple fibre runs to 22 million pounds. The estimated annual production of tricot is 3·8 million yards.

## Rayon Exports from Cuba

(Pounds)

	Tire Cord		Textile Yarn		Staple Fibre	
	Year 1953	Year 1952	Year 1953	Year 1952	Year 1953	Year 1952
Canada .....	3,808,258	3,452,836	.....	.....	.....	.....
Mexico .....	2,129,266	2,465,884	.....	129,078	.....	1,286,300
Colombia .....	1,187,566	292,444	.....	.....	.....	184,048
Norway .....	803,245	238,470	.....	.....	.....	.....
Chile .....	799,468	22,828	.....	.....	.....	.....
South Africa .....	701,650	.....	.....	.....	.....	.....
United States .....	274,880	353,892	.....	.....	6,341,416	3,721,362
Venezuela .....	.....	.....	309,768	1,309,528	113,326	975,410
Others .....	74,168	107,784	18,176	63,226	.....	.....
Total .....	9,778,501	6,934,138	327,944	1,501,832	6,454,742	6,167,120



In order to fill the gap between local production and consumption, annual textile imports have recently averaged over \$35 million. The bulk of imports originate from the United States as the result of preferential tariff treatment. Each of the two countries extends this treatment to the other as a result of an agreement reached in 1902 when the Republic was founded. Although there have since been many modifications in this preference agreement, it still gives an important advantage to U.S. products entering the Cuban market.

### Principal Imports

The principal imports consist of cotton yarns and piece goods and rayon yarns and piece goods. During the last five years, the average annual imports of cotton piece goods have totalled roughly 500 million square yards, and rayon piece goods, 30 to 40 million square yards. Nylon yarns are also imported for the hosiery trade, together with smaller quantities of linen and woollen piece goods.

Although Cuba is starting to grow her own cotton, she still has to import most of it from the United States. American raw cotton enters Cuba duty-free; raw cotton from other countries is assessed in the Cuban customs tariff at US\$0.15 per 100 kilos, with a 20 per cent surcharge on duties paid.

Cotton and synthetic yarns, required to augment Cuban production, are mainly imported from the United States. Small quantities of synthetic yarns are also purchased from Italy and other European countries. The main sources of supply of dyes and chemical products for the textile industry are the United States and the United Kingdom. Textile machinery comes principally from the same two countries.

### Textile Manufactures and Exports

A strong Cuban clothing industry, well accepted by the consumer, complements the production of textile piece goods. The clothing industry is protected tariff-wise. Apart from the duties on imported fabrics, wearing apparel is also subject to a further surcharge ranging from 50 to 125 per cent on duties paid. Among the extensive range of items manufactured in Cuba are shirts, guayaberas (a type of sport shirt typical of Cuba), trousers, underwear, socks, stockings, suits, lingerie, and dresses. Other products include elastic ribbons, ribbons, embroidery, bedspreads, sheets, towels, and shoelaces.

The principal Cuban textile exports come from the one Cuban rayon plant producing tire cord, textile yarn, and staple fibre. The following statistics cover total exports of these three commodities for the years 1952 and 1953, together with the major purchasing countries. They show the number of foreign markets that these commodities enter. ●

## Arkansas—Producer and Market

ARKANSAS, with a population of 1,925,000, draws its income mainly from three sources—forestry, agriculture, and mining. Of the three, forestry takes first place and the forest industries account for about 60 per cent of the labour pay-rolls in the state. About 21 million acres of woodlands provide raw material for 1,650 saw-mills which produce about 1.6 million board feet of lumber a year. About 300 million board feet go into veneers and plywood, tool handles, cooperage, and other products.

The chief agricultural crops are cotton and rice. The state ranks as one of the three main cotton-producing areas in the South; in 1953 the crop was valued at \$289 million, compared with the \$766 million Texas crop and the \$406 million Mississippi crop. Rice is grown in the Mississippi delta area and added about \$59 million to the Arkansas income last year.

Farmers in the state are turning to two new sources of income—cattle grazing (a characteristic trend in the South) and the raising of chickens and broilers. In 1952, about 70 million broilers were produced. Together, the poultry and livestock industries are buying about \$50 million worth of feedstuffs a year from out-of-state sources.

Mining continues to be the second largest source of Arkansas' income. Oil output has reached 85,000 to 90,000 barrels a day; reserves are placed at 300 million barrels. About 95 per cent of U.S. bauxite production comes from this state, where the bauxite is mined by the open pit method, converted to alumina on the spot, and shipped out for conversion into ingot.

Main imports into Arkansas from Canada are newsprint; lumber and apples from British Columbia; asbestos fibres, and small quantities of rutabagas. The rutabagas are bought by Arkansas produce wholesalers largely from brokers and wholesalers in Chicago, who serve the area regularly by truck.

Little Rock, the capital of the state and the main distribution point, is only 137 miles west of Memphis. Department stores there and in other parts of the state report that they make their out-of-state and foreign purchases mainly through buying organizations in New York City.

—G. A. NEWMAN

*Consul and Trade Commissioner, New Orleans.*



# general notes



## Argentina

**ANALYNE DYE PLANT**—The Argentine Ministry of Economic Affairs has announced its approval of a projected investment of foreign capital to establish an analyne dye plant, financed jointly by a local concern, Compania Quimica S.A., and Messrs. Farbenfabriken Bayer A.G. of Leverkusen, West Germany. The analyne dyes used in Argentina at present are almost wholly imported. The name of the new firm will be Fabrica Argentina de Anilinas S.A. and the foreign capital investment, excluding the peso investment, will be the equivalent of US\$650,640. The capital division is to be 55 per cent Argentine and 45 per cent German.

Annual capacity of the plant, to be located at Llavallol, outside Buenos Aires, will be 520 thousand kilos. Dyes will be produced for the textile, the paper and other industries, and full production is expected within 18 months. Equipment for the factory will be exempted from customs import duties and other taxes—Buenos Aires, Aug. 23.

## Australia

**ALUMINUM PROJECT**—The Aluminum Industry Charge Bill provides for the appropriation of £2,102,000 towards the work of completing the Australian Aluminum Commission's work at Bell Bay, Tasmania. The entire cost of the aluminum project is estimated to run into £10.5 million. Originally, the Commonwealth and the Tasmanian Government were to have shared the cost of the project, but after contributing £1.5 million, the Tasmanian Government was unable to pay more, and the Commonwealth had to find the money. The Bill brought the Commonwealth's total contribution to the project to £9 million.

Major construction problems had been overcome, it is reported. On the scale of aluminum production contemplated, the bauxite deposits on Marchinbar Island, off the Northern Territory coast, are sufficient to maintain the industry for over 150 years and allow for substantial expansion. As yet, there is no source of petroleum coke in Australia, and the Commission has over 12 months' supply on order from the United States. It is hoped that with the greatly expanded oil refining capacity, petroleum coke will eventually be manufactured here.

Because all Australia's aluminum supplies are imported from dollar sources, completion of the

Tasmanian works will mean a saving of more than \$5 million a year—Melbourne, Aug. 16.

## Brazil

**EXPORTS THROUGH PORT OF SANTOS**—As a result of the new exchange system, exports through the Port of Santos in the first quarter of 1954 were up 52.7 per cent, as compared with the same period in 1953. Among the products which most benefited from the new regime were cotton, cotton residues, cocoa and hides and skins. Principal export commodities through Santos during this period were (in tons); coffee, 100,715; cotton, 77,028; bananas, 58,928; hides and skins, 3,285; castor seeds, 2,049; cotton residues, 1,234, and cocoa, 284—São Paulo, Aug. 20.

## Cuba

**FOREIGN TRADE BANK**—A new official agency of the Cuban Government has been created, a foreign trade bank capitalized at US\$3.5 million with authorization to increase eventually to US\$6.5 million on the basis of private participation. The primary purpose of the bank is the expansion and protection of Cuban exports. This will, of necessity, involve finding ways and means to increase exports to soft currency areas and the arrangement of payments for such exports. The bank will be run by the Board of Directors of the Banco Nacional (the equivalent of the Bank of Canada). It is not expected to be in active operation for some time because details of organization have to be ironed out—Havana, Aug. 25.

**DEVELOPMENT BANK GRANTS LOAN**—The Agricultural and Industrial Development Bank (BANFAIC), an agency of the Cuban Government responsible for the encouragement and development of Cuban industry and agriculture, has recently granted a loan of US\$850 thousand for two projects. One, involving US\$450 thousand, is the proposed increase of the output of a local salt company to the point where it covers local demand and provides an export surplus, thus obviating imports. The other project, involving the remainder of the loan, is for the construction of three docks and a warehouse, covering a surface of 15,000 square metres—Havana, Aug. 25.



## **Federation of Rhodesia and Nyasaland**

**FEDERATION DAY**—October 25th, the day on which the federal constitution came into force last year, will be celebrated in the future as Federation Day. Though it will not be a public holiday, that date will be marked by official observances. The new Central Government assumed practically all its functions on July 1, 1954, just eight months after the constitution became effective—Johannesburg, Aug. 17.

## **Gold Coast**

**VOLTA RIVER PROJECT**—The Volta River project preparatory commission, which was set up to investigate all aspects of the power-aluminum scheme, expects to complete its report to the British and Gold Coast Governments and the British and Canadian aluminum companies next year. The commission states that technical investigations are proceeding satisfactorily but will require more time. So will study of the economic, financial and sociological aspects.

The Volta River scheme, which would create the world's largest artificial lake of about 2,000 square miles, proposes to dam the river and to use the waterpower from the lake to provide electric power to produce millions of tons of aluminum from local bauxite—London, August 30.

## **India**

**STEEL PROJECT**—Talks have again been held between the government-owned Hindustan Steel Ltd., and representatives of the German combine of Krupp-Demag, which recently signed an agreement for the construction of India's first nationalized steel plant at Rourkela in Orissa. One major change proposed by India relates to the German plan to set up a 25,000 kw. generator at site; now the Hirakud hydro-electric project is to supply most of the power. Rourkela, the site which was finally decided upon after the claims of several other places had been considered, is favourably placed in relation to supplies of iron ore, manganese and limestone—New Delhi, Aug. 13.

## **Norway**

**FLOATING HERRING OIL FACTORIES**—A Norwegian firm has ordered from a German yard a ship intended as a combined herring trawler and herring oil factory. Another Norwegian concern has purchased Iceland's only floating factory for production of herring oil. This ship, however, has been laid up since 1950 and will require a considerable refit—Oslo, Aug. 27.

## **South Africa**

**EGG EXPORTS SUBSIDIZED**—South Africa expects to lose £400 thousand on its exports of eggs this year. This loss will be paid for by a surcharge of one penny a dozen on sales of domestic consumers. At present, the Egg Control Board imposes a levy of 2½d per dozen made up as follows: 1d per dozen to cover the expected loss of £400 thousand this year; ¾d per dozen to cover a loss of over £80 thousand from last year, and ½d per dozen to cover the cost of running the Egg Board—Cape Town, Aug. 21.

**HOUSING PLANS**—In an attempt to solve the Union's housing shortage, the Government has announced its plans to build 15,000 houses for non-whites and 2,500 for whites each year over the next ten years. Annual cost of the program will be £10 million. Special experiments are being carried on to reduce the cost both of the houses for whites and of those for Bantu—Johannesburg, Aug. 17.

## **Sweden**

**DOLLAR IMPORTS**—The Scandinavian countries are investigating the extent to which dollar imports might be increased. In Sweden the State Trade and Industry Commission is carrying out the research, the object being to ascertain in what fields Sweden could obtain clear benefits in the form of lower prices through increased dollar imports—Stockholm, Aug. 26.

## **Turkey**

**FOREIGN CAPITAL INVESTMENT**—The incentives offered to foreign capital under the new Turkish Foreign Capital Investment Law, enacted last January, have met with a satisfactory response. Investments approved to date amount to over \$6 million in cash and equipment. Many of the projects are already under way and include a cotton thread mill, a tire retreading plant, and factories for acetylene gas and azote proxide, oxygen, vegetable oils, sulphuric acid and superphosphate, DDT and other insecticides, powdered egg, essential oils, pharmaceuticals, metal goods, water meters, paints, tires and batteries, pre-fab houses and building materials. Most of the capital is from the United States and the United Kingdom, but Denmark, Italy, Netherlands and Western Germany have also contributed. Projects still under consideration include German investments in five more cement factories, a tinned fruit and fruit juice factory and a metal furniture factory, an Israeli tomato juice project and a second American tire, tube and battery factory—Athens, Aug. 13.



# Sweden's Foreign Trade in '54

*With prices steady, exports up, and imports down slightly, Sweden has found 1954 a prosperous year. Trade with the dollar area, however, has declined slightly.*

L. A. CAMPEAU, *Commercial Secretary, Stockholm.*

DURING THE PAST SIX MONTHS, Sweden has enjoyed exceptional prosperity—exceptional because it resulted from increased production and trade rather than from rising prices. The steadiness of Swedish prices is partly a reflection of the fact that movements in world market prices were small because of the American recession. There is, however, some fear that the point may soon be reached beyond which a further expansion of output will be impossible. Demand may then exceed supply both in goods and labour, and inflation could result.

## Imports and Exports

During the first half of the year, Swedish imports were valued at 4,388 million kronor,\* compared with 4,009 million for the same period in 1953; exports were valued at 3,804 million kronor, compared with 3,473 million last year. The deficit in the balance of trade was therefore slightly larger than last year—584 compared with 536 million kronor.

Of the 379 million kronor increase in imports, food represented 81 million, chemicals about 60 million, metals 90 million, and automobiles and parts 100 million. During the first half of the year 40,300 automobiles were imported ready-manufactured, to a value of 224.2 million kronor; this increase came partly from a relaxation of import restrictions on automobiles from some European countries. About 40 per cent of all automobiles were imported unassembled.

On the export side, pulp and paper sales abroad showed a considerable increase both in volume and value. Exports of dissolving pulp for the first half-year totalled 173 thousand tons, compared with 139 thousand for the same period last year. Foreign sales of other chemical pulp reached 769 thousand tons, compared with 656 thousand tons during the first six months of 1953. Paper exports (including newsprint) showed an increase from 340 thousand tons last year to 381 thousand. Exports of wallboard also went up—from 57,000 to 95,800 tons. In addition, there were large increases in exports of machines and ships.

Deliveries of ships rose from a value of 153 million kronor to 287 million. Exports of rye and wheat experienced an upswing from 85,000 to 291 thousand tons, but rapeseed exports fell from 31,800 tons to 11,700. Iron ore exports also declined somewhat—to 6.1 million tons compared with 6.8 million, because of a decrease in foreign demand, particularly from Germany and the United States. The table shows the value of leading exports and imports for the first half of 1954, compared with the same period last year:

### Exports (million kronor)

	1954	1953
Machines and means of transport and instruments ..	895.5	696.8
Other chemical pulp .....	495.1	394.7
Vessels .....	387.0	153.2
Iron ore .....	334.1	401.4
Sawn and planed wood products .....	307.1	365.6
Other cardboard and paper .....	281.5	235.1
Dissolving pulp .....	157.7	130.8
Iron and steel .....	137.4	173.5
Rye and wheat .....	100.9	40.2
Textiles .....	62.2	53.6

### Imports (million kronor)

Mineral oils (excl. lubricating oil) .....	437.6	422.4
Textiles .....	342.5	335.1
Automobiles .....	224.2	147.6
Commercial iron and steel .....	203.6	188.8
Coffee .....	188.3	160.5
Fruit .....	169.6	150.1
Copper .....	112.0	56.8
Yarn .....	106.2	113.6
Coal .....	101.3	138.0
Automobile parts .....	91.1	69.4

## Trade with Dollar Area

The value of trade with the dollar area for the first five months of the year (the figures for the six months are not yet available) fell below the same period last year. For the five months, Swedish dollar imports declined to 384 million kronor, compared with 414 million last year. Exports decreased from 313 million to 252 million kronor. The deficit in the balance of trade with the dollar area so far this year exceeds that of last year—132 million kronor compared with 101 million kronor for the first five months of 1953.

The balance of trade with Canada for the first six months of the year was in Sweden's favour. During that period the value of Canadian exports to this

\*One Swedish krona=\$.1881 Canadian.





*A view of the docks at Goteborg, Sweden's largest seaport. During the first half of this year, both Sweden's shipments abroad and her imports increased and the country prospered.*

country declined from 2.8 million to 2.1 million kronor, about 25 per cent. The decline occurred chiefly in non-ferrous metals which Sweden purchased in increasing quantities from non-dollar countries. Swedish exports to Canada also decreased by roughly 10 per cent.

Sweden's dollar-paid imports for the second half-year of 1954 are to be limited to a value of 400 million kronor, the same figure as was planned for the first six months of this year.

It is estimated that in 1954 total Swedish exports to the dollar area will increase by 50 million kronor, from 773 million in 1953. However, the course of wood pulp shipments seems rather uncertain. It is estimated that during 1954 wood pulp deliveries to the United States will total about 250 thousand tons compared with 300 thousand in 1953. The reason is that Swedish exporters can currently obtain higher prices on the European markets and are, therefore, less interested in exporting to the United States. On the other hand, the value of machine exports to the dollar area is expected to increase. The Swedish authorities hope that the anticipated rise in dollar exports will augment the country's gold and dollar reserves which at present cover about the value of two months' imports from all sources. ●

## British Steel Production

LATEST IN THE ADDITIONS to United Kingdom steel-making capacity is a new £20-million plant planned by a Scottish steel mill. It will include a coke oven, blast furnace and steelmaking installation and, when it comes into operation in 1957, will have an annual capacity of 400 thousand tons of ingots. This is only one of a number of expansion schemes and, with output at 9.5 million tons, the U.K. steel industry operated at a record rate in the first six months of 1954. The British Iron and Steel Federation anticipates a final 1954 figure of 18.5 million tons, compared with a 1953 total of 17.6 million tons.

## Domestic Demand Stronger

Domestic demand for steel recovered strongly in the first half of this year and orders are still tending to increase, not only for heavy products but also for many forms of light-rolled products, particularly sheet and tubes. In contrast, export demand has been rather slow and is still running at much the same level as in 1953, even though import restrictions in many countries have been lifted. This situation results largely from the development of steel production in traditional importing countries and of excess capacity in some of the major steel-producing countries, which means keen competition. U.K. steel exports are expected to total 1.4 million tons in the first half of this year.

## Imports Reduced

British imports of steel products have been substantially reduced, a direct result of greater domestic production. The British Iron and Steel Federation indicates that shortages of particular products have now been largely overcome and delivery periods much improved. With a 5 per cent increase in production and smaller exports, the steel plate producers can now meet domestic demand. The only finished steel product being imported in any quantity is sheet, needed to meet the high demand in the automobile industry. Pig-iron output also has been at record levels, assisted by new blast furnace capacity and higher imports of ore, and in the first half of 1954 is likely to total 5.97 million tons, 7½ per cent over the same period of 1953.

—T. M. BURNS,

*Assistant Commercial Secretary, London.*



# Caribbean Markets for Canadian Fish

*Canada remains chief supplier of dried salted fish to the four countries covered in this report; up-trend in sales should continue through 1954. Demand for other types of fish varies.*

E. M. GOSSE, *Trade Commissioner (Fisheries), Ciudad Trujillo.*

## DOMINICAN REPUBLIC

THE COMPARATIVELY HIGH LEVEL OF EMPLOYMENT among manual workers in the Dominican Republic has been reflected in a greater demand for dried salt fish which, pound for pound, provides more protein than fresh meat. Half-yearly imports for 1953 amounted to 4,001,800 pounds from Canada and 275 thousand pounds from other fish-producing countries. During the first six months of 1954 purchases from Canada reached 4,559,620 pounds, compared with 162,500 pounds obtained from all other sources.

If Canadian shippers continue to meet competition in this market, sales of dried salted fish are likely to increase during the last half of 1954.

Dominican importers are mainly interested in buying large, choice heavy-salted hake and pollock with a maximum moisture content of 38 per cent. Small amounts of cusk, haddock and codfish can be marketed in time of scarcity but prices must be low in comparison. There is a small demand for boneless salted codfish packed in 30-pound boxes, with a maximum moisture content of 44 per cent.

### *Bloaters*

Total imports for January to June amounted to 1,873,440 pounds, of which Canada supplied 1,620,630 pounds, or 25,130 pounds less than for a similar period in 1953. Dutch and Norwegian exporters offered some competition during 1953, when Canadian shippers were at times unable to compete with lower European quotations. Since January of this year, Canadian prices have been competitive and Dominican importers have only purchased 252,810 pounds from Europe.

If prices are nearly equal, the Dominicans will purchase bloaters from Canada rather than any other source, because shipments are usually on schedule and the quality preferred. Bloaters should be packed in wooden boxes of 18 pounds net, each containing from 80 to 120 fish.

For dry salted fish, oblong wooden packages containing 100 pounds net are most popular. Some European firms forward shipments in burlap bags of 100 pounds net but the majority of importers prefer the wooden boxes.

### *Canned Fish*

In 1953 the Dominican Republic purchased 974 thousand pounds of canned fish, of which Canada supplied 838,200 pounds.

Government statistics are only available for January and February of this year and these show that of the 103,400 pounds of tinned fish imported, purchases from Canada totalled 70,400 pounds.

The great demand is for canned sardines, because prices are much lower than for canned salmon and other varieties.

## PUERTO RICO

Although Puerto Rico is the largest outlet for Canadian dry salted codfish, imports of pickled, smoked and canned fish are comparatively small. There is little demand for pickled fish and supplies of canned and smoked fish are chiefly obtained from the United States mainland.

Imports of dry salted fish for January to the end of May amounted to approximately 14,200,200 pounds, of which Canada supplied over 12 million. If imports continue at the present rate, consumption should be considerably higher than in 1953. Since January of this year Canadian prices for salt cod have been more in line with European quotations and sales have risen rapidly. Not only have lower prices increased our sales but consumers prefer the light salted cure which Canada supplies to this market and demand is strong.

Annual requirements of salted codfish for the Puerto Rican market are placed at 36 million pounds. Con-



sumption is likely to reach this figure in 1954 if marketing conditions continue the same throughout the rest of the year.

## HAITI

The Haitian peasant annually consumes an average of 16 million pounds of salted and smoked fish, the great bulk of which is imported from Canada. It is so well preserved that it remains edible for long periods and provides a rich source of protein when added to a diet consisting mainly of locally grown produce.

Comparative figures on imports from Canada during the first quarter of 1954 and 1953 are given below:

	1954	1953
Pickled and dry salted alewives	2,543,600 lb.	2,191,100 lb.
Bloaters	2,064,100 "	998,500 "
Dried salted scale fish and codfish	648,300 "	665,400 "
Totals	5,256,000	3,855,000

The steep rise in total purchases is attributed to the better economic conditions prevailing in the early part of the year.

Unlike other West Indian fish markets, Haiti's imports of salted codfish are small in comparison with those of bloaters and dry salted alewives. The Haitian consumers prefer the latter types and they are authorities on quality, always demanding that grades and sizes comply with specifications. Because of this, the higher grades are in strong demand and the lower only sell at very much reduced prices.

If the present trend continues, Canada will sell more than average quantities of preserved fish to Haiti during 1954. Very little competition will be experienced from other fish-producing countries if Canadian shippers consistently forward good quality at comparable prices.

## JAMAICA

Recently, sales of salted codfish in Jamaica have shown a marked increase and, if the present rate of consumption continues, imports of salt cod this year will total approximately 33,000 casks compared with 24,500 casks in 1953. Apparently Europe can no longer compete in this line and European imports have practically ceased.

At existing prices and with general economic conditions as good or better than in 1953, Canada should sell more salted fish in Jamaica than at any time since prewar days.

### Pickled Fish

During the first ten months of 1953 Jamaica imported more than six million pounds of pickled fish, 50 per

cent of which was mackerel, 34 per cent herring, and 16 per cent alewives.

Complete statistics on imports during the first six months of 1954 are not available. Indications are that quantities imported for the period January-June 1954 were below average. This is particularly true of herring, because the Newfoundland catch was comparatively small this year. Government-controlled retail prices are based on the average c.i.f. cost per barrel.

At prevailing prices, sales will probably increase during the latter half of the present year if sufficient Canadian supplies are available.

Jamaica imports more than 95 per cent of its pickled fish from Canada and attempts by European exporters to enter this market have so far not been fruitful.

### Canned Fish

The bulk of imports consist of low-priced canned sardines, herring and salmon from Canada. Total imports for the period January to September 30, 1953, were 2,169,807 pounds with a c.i.f. value of sterling £206,642.

All types of fish are now on open general licence, which means that purchases from dollar countries are not restricted. However, the Government continues to fix retail rates on canned fish based on the average c.i.f. cost for the various types imported.

Canadian exports of cured and canned fish during 1954 are likely to rise above average if the favourable trend in this market continues.

## Transportation

A new edition of "Canadian Foreign Trade Routes," giving more detailed information on sailings from Canadian ports, is now available from the Transportation and Trade Services Division. "Canadian Foreign Trade Routes" contains an index to foreign ports of discharge and to steamship companies and their Canadian agents, plus a table of steamship services from eastern Canadian ports and from Canadian Pacific ports, including ports of discharge, loading ports, number of sailings, space accommodation and other information.

To obtain this directory and other information on water, rail, air and road transport services to and from Canada, write to the Director of the Transportation and Trade Services Division, Department of Trade and Commerce.



# commodity notes

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## Australia

**POLYSTYRENE**—A new factory, costing £250 thousand, is being built by C.S.R. Chemicals at Rhodes, and is expected to be finished early next year. The factory will produce polystyrene, the basic material for certain types of plastic produced in Australia. C.S.R. Chemicals began operations at Rhodes a year ago with a £4.5 million industrial chemical plant, and produces cellulose acetate and other raw materials for the production of rayon—Sydney, Aug. 23.

## Brazil

**PENICILLIN**—Two large penicillin plants have been opened in Sao Paulo and the output of both will be sufficient to handle the market needs adequately. They are E. R. Squibb & Sons S.A. and Industrias Farmaceuticas Fontoura S.A. E. R. Squibb & Sons S.A. is reputed to be equipped to produce 1.8 billion units of penicillin a month, about 50 per cent of actual consumption in Brazil. Industrias Farmaceuticas Fontoura S.A.'s large modern factory covers 34,000 square metres, and its potential capacity is reported to be sufficient to meet present consumption in Brazil—Sao Paulo, Aug. 20.

## Chile

**OIL**—Following the news that the Chilean Government is prepared to relinquish its thirty-year monopoly over oil rights, local press reports indicate that oil has been discovered by a mission of Dutch geologists in the northern Province of Atacama. Later reports claim similar discoveries in the Provinces of Nuble and Bio-Bio in the south—Santiago, Aug. 25.

## El Salvador

**COFFEE**—Reports from El Salvador are that the next coffee crop is now estimated at 1.5 million quintals, as compared with 1.2 million for the last crop. Such a crop will assure that country, which depends so much on coffee, another year of prosperity even if world prices drop—Guatemala, Aug. 23.

## Jamaica

**BANANAS**—Exports of bananas this year may reach 12 million stems if there is no hurricane damage. In the first seven months more than 6½

million stems were shipped to the United Kingdom, an increase of a million stems over the same period last year—Kingston, Aug. 25.

**COFFEE**—The coffee crop will be early this year, and coffee factories are preparing to start work within ten days. Industry officials predict the crop will be larger than last year's—Kingston, Aug. 25.

**SUGAR**—The 1955 sugar crop will be 351,425 tons, according to latest predictions. This would be about 11,000 tons less than the current crop which is just finishing. Grinding of the 1955 crop will begin in December—Kingston, Aug. 25.

## Middle East

**OIL**—During the first half of 1953 crude oil output in the Middle East totalled 65 million tons, the largest ever recorded in a six-month period. This figure compares with an output of 59 million tons for the same period last year. The three largest producers were Saudi Arabia, 23.4 million tons; Kuwait, 22.3 million tons, and Iraq, 17.7 million tons; production in each of these countries is running higher than last year—Cairo, Aug. 17.

## Netherlands

**POLYESTER FIBRES AND YARNS**—A.K.U. of Arnhem, large rayon and nylon producer, is introducing a new fibre, under its licence contract with Imperial Chemical Industries regarding the manufacture and sale in the Benelux countries of so-called polyester fibres and yarns. In Britain these are known as terylene, in the United States as dacron. A.K.U. will call the new fibre enkalene. Main raw materials for these synthetic fibres and yarns come from the oil industry. The new product is destined principally for the textile industry, but A.K.U. believes it may also be used for various technical purposes—The Hague, Aug. 30.

## Norway

**ALUMINUM**—Aardal & Sunndal Verk, the state-controlled aluminum company, is contemplating increasing its production from 25,000 to 75,000 tons a year at its Aardal plant. Plans are not yet complete, but the company has requested permission to build up their hydro-electric capacity. This will entail alterations in the waterhead supply and hence



government authority. It is estimated that the entire development scheme could be completed in four years and would make Norway the largest aluminum producer in Europe—Oslo, August 26.

### **Portugal**

**ABRASIVES**—The Abrasives factory at Paçõ de Brandão in the Aveiro district, the only one in Portugal, has recently been remodelled by German technicians and is again in operation. Potential production is estimated at 500 tons a year of grinding stones and wheels. It is also expected that, within three years, production of abrasive powders will begin—Lisbon, August 19.

### **Turkey**

**TOBACCO**—Unfavourable weather conditions have reduced this year's Turkish tobacco crop to 50,000 metric tons, as compared with 65,000 produced last year. Exports in 1953 reached 70,000 tons, earning the equivalent of over \$85 million. As in past years, the United States, Western Germany, and the United Kingdom headed the list of buyers. Canada imported only 116 metric tons—Athens, Aug. 24.

### **United Kingdom**

**MOTOR VEHICLES**—The British motor industry produced just under 380 thousand passenger cars during the first half of this year, 100 thousand more than during the first half of last year and more than in the whole of 1948. Half of this production, or 188 thousand, was exported, compared with 154 thousand a year ago. The leading markets for passenger cars during the first six months of this year were, in order of importance: Australia, Sweden, United States, New Zealand, Canada, and South Africa.

Commercial vehicle production in this period was 10 per cent higher at 128 thousand. Half of these were exported, representing an increase of 25 per cent over the first half of 1953. The total value of passenger and commercial vehicle exports was £121 million for the six-month period.

Agricultural tractor exports totalled 56,000 units worth £24 million, as against 49,000 units in the first half of 1953—London, Sept. 3.

**APPLES**—The British Government has announced that it will make dollar exchange available for the purchase of a limited quantity of fresh apples. Details concerning the quantities and the methods of licensing will be announced later.

The United Kingdom market has long been of great importance to Canadian producers and shippers of apples. During the ten-year period prior to World

War II, Canada exported an average of over five million bushels of apples to the United Kingdom, or over 40 per cent of Canada's commercial production. Nova Scotia, British Columbia and Ontario were the principal suppliers. With the exception of special allocations, the United Kingdom market has been virtually closed since 1939—London, Aug. 30.

### **United States**

**NEWSPRINT AND PULP**—The \$60-million mill of Bowaters Southern Paper Corporation at Calhoun, Tennessee, is reported to have begun production. Its initial capacity is 130 thousand tons of newsprint and 50,000 tons of kraft pulp. This is the third and largest newsprint mill in the South, the other two being at Lufkin, Texas, and Coosa Pines, Alabama. According to reports, more than 100 southern newspapers—many of which were formerly supplied by Bowater's newsprint mill at Corner Brook, Newfoundland—have contracted to buy the mill's entire output of newsprint for the next 15 years. It is also reported that the kraft pulp produced in the Tennessee mill will be shipped to the Bowater mills in England—New Orleans, Sept. 4.

### **West Germany**

**WOOD PULP AND PAPER**—German wood pulp and paper production hit a new postwar peak during January-June, 1954. Wood pulp production amounted to 310 thousand tons, compared with 258 thousand tons during the first half of 1953 (total 1953: 541 thousand tons). Production of pulpwood rose to 242 thousand tons from 203 thousand (total 1953: 426 thousand tons); production of paper and cardboard reached 1,088,000 tons compared with 910 thousand tons (total 1953: 1,969,000 tons). Paper and cardboard exports are higher, although imports of wood pulp decreased slightly. Orders for paper and cardboard have remained high, but orders for wood pulp dropped by five per cent—Bonn, Sept. 2.

**REFRIGERATORS AND WASHING MACHINES**—Production of household refrigerators rose to 290 thousand units during the first half of 1954, compared with 174 thousand last year. Estimates place the 1954 total output at 400 thousand units, a further increase of almost 25 per cent over 1953. Washing machine production increased from 137 thousand units in 1952 to 264 thousand during 1953 and reached a new high of 180 thousand units during January-June 1954. By the end of the year it is probable that one million of the 16.5 million German households will own a washing machine. These figures show clearly that the German market for domestic appliances is far from the saturation point—Bonn, Sept. 2.



# Pakistan Discovers Natural Gas

*The uncovering of large reserves of natural gas in barren Baluchistan will lessen Pakistan's dependence on imported fuel and enlarge the scope of her industrial planning.*

R. K. THOMSON, *Commercial Secretary, Karachi.*

CANADIAN OIL AND NATURAL GAS DISCOVERIES have made headlines during the past ten years and plans for the piping of Alberta's natural gas to other parts of Canada have major interest for Canadians. Of equal interest to the people of Pakistan was the discovery last year of large reserves of natural gas in the barren hills of Baluchistan and today plans for its use are progressing rapidly.

Prospecting for oil has been undertaken in both wings of Pakistan for some years. It has taken the form of aerial surveys, ground geological investigations and the drilling of exploratory boreholes. The first oil to be produced commercially in Pakistan was discovered in the Punjab in 1915; subsequently other small fields were developed. Despite the fact that a good part of West Pakistan is covered with a geological strata favourable for oil, production and the discovery of oil reserves have been modest. Oil production in West Pakistan today totals about 250 thousand tons a year. This is about five times the production in 1947, but still falls far short of the country's requirements of 1½ million tons of oil products each year. Drilling for oil continues, however, in both east and west Pakistan by British companies in association with Pakistan capital. It is understood that United States oil companies are negotiating for oil concessions.

## Gas Found at Sui

It was an exploratory oil well sunk at Sui, in the barren and unpopulated areas of Baluchistan approximately 300 miles northeast of Karachi, which revealed a large reserve of natural gas. This gas when tested was found to be a suitable natural fuel for industrial and domestic purposes, with a high calorific value. Intensive exploration has not yet been carried out, but the reserves of gas so far proven are estimated conservatively at 3,000,000 million cubic feet—sufficient to supply over 100 million cubic feet of gas per day for over 50 years. Further exploration may reveal greater reserves.

The value of this discovery to the economy of Pakistan is incalculable. Plans for the industrialization of Pakistan have been handicapped by the meagre supplies of available fuel. Only 600 thousand tons of coal of indifferent quality is produced each year and annual requirements are about 1,200,000 tons. Oil and coal imports are a drain on the limited foreign exchange

reserves of the Government of Pakistan and the discovery of large reserves of natural gas and its application industrially will mean a considerable saving of foreign exchange. The gas will be used initially to meet the needs of existing plants near the pipeline, including electric power, cement, textile and other industries which will be converted from present fuels to gas firing. Sui gas may later be available for household purposes and as the basis of a chemical industry. The domestic cost of the gas compares favourably with the price of other fuels and as the volume transmitted increases, it is expected that the costs will fall.

## Planning a Pipeline

Pakistan did not delay in making plans for the early use of this gas. Surveys were made for a pipeline to carry the gas to Karachi and also to the Punjab. A company to build the pipeline was promoted jointly by the Pakistan Industrial Development Corporation (a government organization) and the Burmah Oil Company (Pakistan Trading) and named the Sui Gas Transmission Company Limited. The first issue of shares of this new company was over-subscribed nearly seven times within four hours of the opening of the subscription list. The Burmah Oil Company, whose Pakistan-sponsored company, Pakistan Petroleum Limited, was responsible for this discovery, will provide one million pounds of the capital, the Commonwealth Development Corporation and the Pakistan Industrial Development Corporation will provide another million pounds each, and for the balance of the capital required application was made by the Sui Gas Transmission Company Limited to the World Bank and an agreement was signed in Washington on June 2nd for a loan of five million pounds for a term of 20 years and bearing interest at 4.34 per cent per year. This loan is guaranteed by the Pakistan Government. Of the share capital of the new company, slightly more than half will be Pakistani. The Burmah Oil Company (Pakistan Trading) Ltd., under a 20-year agreement, will act as managing agents for the Sui Gas Transmission Company.

A contract for the supply of over 350 miles of 16-inch seamless pipe, valued at over 2 million pounds, has been placed in the United Kingdom and deliveries are expected to begin early in August. The pipeline is



expected to be completed in May 1955, with actual construction beginning this October. A United Kingdom and a United States construction firm will be jointly responsible for the pipe-laying. It is expected that the gas will be available for industrial use in Karachi by August 1st, 1955. The first stage of construction will be the link between Sui and Karachi, via Sukkur and Hyderabad Sind, for the provision of natural gas to industries in the Karachi area and through the area traversed by the pipeline. It is planned to extend a second pipeline later up through the Punjab to serve the State of Bahawalpur, and the important cities of Multan and Lahore in the Punjab.

The pipeline will be so built that the gas can be self-propelling from Sui to Karachi when transmitting

volumes of up to 72 million cubic feet per day. When requirements exceed this quantity, compression plants will be installed to transmit the gas at its designed capacity of 100 million cubic feet per day. The Government of Pakistan is considering establishing a power plant at Dera Ghazi Khan which will use the Sui gas for supplying cheap power to the Southern Punjab and the neighbouring States of Khairpur and Bahawalpur.

Pakistan's objective of providing a more evenly balanced economy by establishing industry in what was almost an entirely agrarian economy has received a considerable impetus from Sui gas. Its discovery will make the transition much easier and will enlarge the scope of industrial planning.

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## Hong Kong Makes Woollen Gloves

*Woollen gloves from Hong Kong have appeared in Canadian stores in the last two years—fruit of an industry established in the Colony in 1952 and since expanded.*

M. B. BLACKWOOD, Assistant Trade Commissioner, Hong Kong.

EARLY IN 1952 a new Hong Kong industry, the manufacture of woollen gloves, was established and in the two years since, it has grown rapidly. This growth has been aided by two factors—the machinery used is simple and inexpensive and labour is abundant and cheap. In 1953 the industry turned out 350 thousand dozen pairs of gloves and exported 300 thousand dozen to world-wide markets. Expansion has reached the point where, at full capacity, about one million dozen pairs could be produced each year.

### How Industry Operates

About 30 establishments are currently making gloves—the exact figure is not known because some are small tenement workshops which operate spasmodically, depending on market demand. There are, however, eight factories solely engaged in the business and a number of the general knitting factories make gloves in addition to other types of knitwear.

In the beginning, glove knitting machines were brought in from Japan but it was not long before they were

being made in Hong Kong. The locally made machines cost about HK\$100\* each and are much cheaper than Japanese machines, which cost about HK\$400. Altogether there are now between 1,500 and 2,000 knitting machines in the Colony, all hand-operated. It takes a considerable amount of skill but a proficient operator can turn out at least three dozen pairs of good-quality gloves per day.

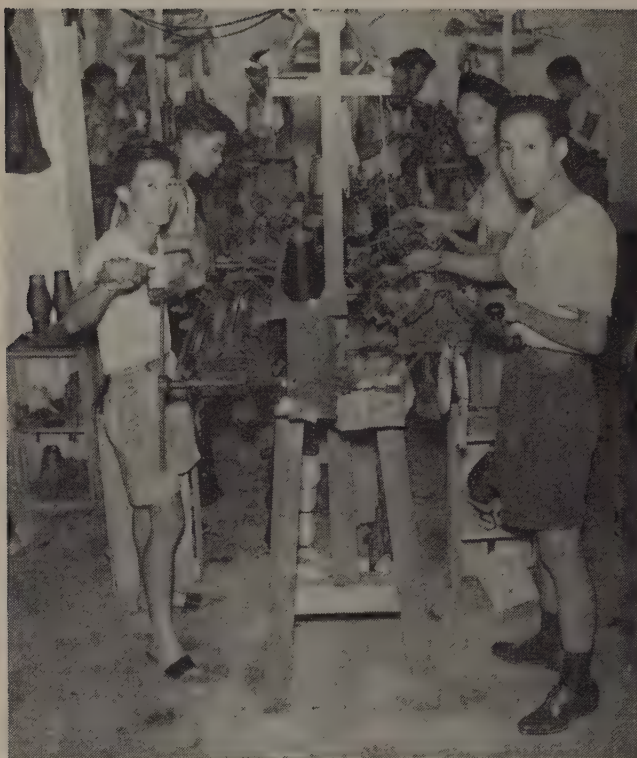
Apart from the actual knitting, most of the work is done off the premises by women who sew, stitch and embroider the gloves in their homes on a piece-work basis. The number of outworkers engaged in this finishing process exceeds considerably the number employed within the factories. For example, one of the largest factories has over 300 knitting machines and employs about 500 inside workers, but uses about 2,000 outworkers when it is producing at capacity.

### U.K. Yarns Used

The best-quality gloves from the standpoint of material are made from woollen yarn imported from the United Kingdom in hanks, already dyed. Some factories use

\*One Hong Kong dollar=approximately 17 Canadian cents.





*This is one of the 30 woollen glove factories now operating in Hong Kong. The simple machines used, like those above, can knit in the cable and shell stitch, but the embroidered designs must be worked on by hand. The two-year old industry's production last year totalled 350 thousand dozen pairs, and 300 thousand dozen were exported.*

yarns spun and dyed locally from imported Bradford wool tops. Yarn from Japan is also used but it is probable that it is spun also from British wool.

### Types Produced

Plain-knit gloves predominate and in most cases they have designs embroidered on them subsequently by hand, because the machines in use are incapable of incorporating motifs during the knitting process. The added designs are usually floral and done in wool but beads and felt are also used. The knitting machines can, however, do the familiar cable stitch and shell stitch or simple variations of them. Manufacturers are of course willing to produce gloves to customers' own designs and specifications within these limits.

A few factories operate independently, importing yarn and other requirements and exporting their gloves themselves. Others merely manufacture gloves to the orders of local export firms. This type is perhaps the most common. In addition, there are a few factories, subsidiaries of large import-export firms, which furnish yarn and other production requirements and handle all export sales. Finally, there are one or two factories

whose output is commissioned by overseas importers who supply the yarn and designs.

### Markets and Competition

At present, the United Kingdom and the United States are the major export outlets. The following table gives exports during 1953:

EXPORTS, 1953*		
Country	Quantity Dozen Pairs	Value HK\$
United Kingdom .....	141,240	3,358,663
United States .....	(106,650	(2,104,322
	( 11,446**	( 277,295**
Canada .....	27,833	543,020
Australia .....	3,372	88,495
Sweden .....	2,464	57,686
Denmark .....	1,183	21,036
New Zealand .....	( 360	( 7,707
	( 722**	( 18,641**
Others .....	866	19,870
	296,136	6,496,735

\*Source: Hong Kong Department of Commerce and Industry.

\*\*Includes locally manufactured cotton gloves.

Japan is Hong Kong's main competitor in the manufacture of woollen gloves, particularly in selling to Canada. Canadian imports from Hong Kong in 1953 totalled only 22,734\* dozen pairs; imports into Canada from Japan totalled 137,163\* dozen pairs. Since that time, of course, Canada has extended most-favoured-nation tariff treatment to Japan, and as imports into Canada from Hong Kong also come under the most-favoured-nation tariff, both Japan and Hong Kong are now on the same footing tariff-wise—a development which may increase Japan's lead as the chief supplier. An additional factor which Canadian importers will consider is the lower freight rate from Japan to Canada compared with the rate from Hong Kong to Canada. Still, production costs in Hong Kong are reported to be lower than in Japan, and this may mean that the Colony will retain a share of the Canadian market. Lower costs of production, coupled with the fact that Hong Kong enjoys British preferential tariff rates in selling to all other Commonwealth countries, should enable the Colony to counter Japanese competition in these areas.

\*Source: Dominion Bureau of Statistics.

### Index to "Foreign Trade"

*The index to "Foreign Trade" from February 6, 1954, to the end of June 1954, issues No. 1-11, is now available. If you would like a copy, write to "Foreign Trade," Information Branch, Department of Trade and Commerce.*

# Philippine Foreign Trade in 1953

*The Philippine trade picture improved slightly in 1953, largely the result of increased trade with the United States.*

H. E. LEMIEUX, *Vice Consul and Assistant Trade Commissioner, Manila.*

PHILIPPINE FOREIGN TRADE in 1953 was marked by a larger volume of both imports and exports and an improved balance of payments position. Overall trade totalled US\$847.9 million, 9 per cent above 1952 but slightly less than in 1951. Imports, at \$447.3 million, rose about 3 per cent above the 1952 figure; exports, at \$400.6 million, gained 6 per cent. As a result, the country's balance of payments position improved and its foreign exchange reserves increased.

## Principal Trading Partners

The United States retained her traditional place as both the main supplier and the principal customer, by a large margin. She sold to the Philippines and bought from them goods valued at \$605.6 million, 10 per cent more than in the previous year, and thus accounted for 71.5 per cent of total Philippine foreign trade. In 1952 this Philippine-U.S. trade was valued at \$542.8 million, representing 70 per cent of total Philippine trade. The 1953 balance in favour of the United States was \$61.1 million.

Japan remained the Philippines' second most important trading partner. Total 1953 trade between the two countries reached \$69.9 million, up \$13.3 million

over 1952. Japan continued to have an adverse balance in this trade of over \$24 million (\$18.5 million in 1952).

During the year under review, the Philippines had a favourable balance of trade with Europe, South and Central America, Africa, and the Caribbean countries, and a trade deficit with North America, Asia, and the Middle and Far East.

Trade with Canada during the year totalled \$14.7 million, 85 per cent of which represented Canadian sales to that country. In 1952 the figure was slightly over \$20 million, 80 per cent of which represented Canadian exports.

## Imports and Exports

The pattern of Philippine imports in 1953 varied only moderately from that of 1952, as the table below illustrates.

Philippine products moved largely to the same markets as in former years, with the United States purchasing about 70 per cent of all the country's exports. The table below gives the picture.

## Principal Philippine Imports and Suppliers

(in U.S. dollars)

Product	1952	1953	Main Suppliers 1953
Cotton and manufactures	\$53,404,000	\$58,711,000	U.S. (90%)
Petroleum products	40,088,000	37,134,000	Indonesia (50%)
Iron and steel manufactures	26,737,000	35,124,000	U.S. (45%)
Automobiles and parts	28,825,000	31,562,000	U.S.
Machinery and parts	27,155,000	28,610,000	U.S. (95%)
Synthetic textiles	25,092,000	26,106,000	U.S. (95%)
Grains and preparations	36,958,000	23,082,000	Canada (50%)
Dairy products	17,533,000	22,868,000	U.S. (60%)
Paper and manufactures	19,635,000	18,437,000	U.S. (90%)
Chemicals and drugs	14,841,000	18,433,000	U.S. (90%)
Electrical machinery	13,050,000	15,171,000	U.S. (90%)

The commodities listed in the table together comprise about 70 per cent of total imports. The remainder consists of tobacco and manufactures, 3 per cent; fish and fish products, 2.2 per cent; fertilizers, 2 per cent; and non-ferrous metals, leather manufactures, tea and coffee, jute, paints and varnishes, glass, and meat products, in smaller amounts.

## Principal Philippine Exports and Markets

(in U.S. dollars)

Product	1953	1952	Main Market 1953
Copra	\$116,220,000	\$89,220,000	U.S. (54%)
Sugar	96,786,000	92,144,000	U.S. (100%)
Hemp	37,652,000	39,885,000	U.S. (44%)
Base metals	34,996,000	20,884,000	U.S. (65%)
Lumber and logs	31,290,000	17,525,000	Japan (65%)
Coconut oil	17,643,000	16,715,000	U.S. (100%)
Desiccated coconut	15,730,000	9,545,000	U.S. (100%)
Canned pineapple	12,193,000	11,769,000	U.S. (100%)
Embroideries	9,248,000	7,058,000	U.S. (100%)
Tobacco and manufactures	4,769,000	4,734,000	Spain (50%)
Copra meal and cake	4,228,000	5,463,000	U.S. (90%)

The commodities listed above represent 95 per cent of total Philippine exports in 1953. The remainder consisted of small shipments of gold bullion, molasses, rope, shells and mother-of-pearl buttons, beer, scrap metal, abaca products, rattan, gums, and resin. In most cases these too went to the United States. ●



# trade and tariff regulations

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## Chile

**CONSULAR FEES INCREASED**—The Consul General of Chile in Montreal advises of an increase in the fees charged for legalizing documents covering shipments to Chile. The fee for legalization of most consular invoices is now  $2\frac{1}{2}$  per cent of the f.o.b. value, an increase from  $\frac{1}{2}$  per cent. For shipments valued at less than \$50 f.o.b. the fee is \$1.00; for shipments of cotton, sugar, coffee, tea, petroleum (diesel), gasoline, and agricultural machinery and parts a reduced rate of 1 per cent of the f.o.b. value applies.

The fee for legalizing the bill of lading is increased from \$4.40 to \$5.00 for each 200 tons or fraction thereof.

Additional copies of commercial invoices and bills of lading, if required by exporters, will now cost \$5.00.

Imports by government and semi-government agencies are exempt from the foregoing fees. Also exempt are non-commercial shipments of books and publications, provided the packets contain only one copy of each issue and are not destined for sale.

## Cuba

**CONSULAR FEES INCREASED**—Cuban Decree No. 1619, effective August 14, 1954, provides for the increase of certain consular fees. Among these increases is included the fee for the legalization of bills of lading with invoices over \$10.00, which is now \$2.00 per set. Most other fees are similarly doubled. Further details are available on request from the International Trade Relations Branch.

## Singapore

**IMPORT CONTROLS**—It was announced in Singapore on August 27, 1954 that licences will now be freely issued to import the following commodities from hard currency countries: Fresh apples; hand tools, saws, axes, files and rasps, but excluding mechanically-operated saws; fruit juice concentrates, for industrial purposes only; fresh oranges.

## South Africa

**REPRESENTATIONS RESPECTING THE TARIFF**—It has been announced in South Africa that the Board of Trade and Industries has received

the following representations respecting increases in the South African tariff.

*Increase in duty on:*

Polishing and grinding buffs, from 3 per cent to 35 per cent ad valorem.

Lampshades other than of glass or metal, from 15 per cent to 35 per cent ad valorem.

The following canned meat products, from various rates of duty to 25 per cent ad valorem—

Bacon  
Hams and shoulders  
Corned beef  
Meat loaves or rolls  
Sausages  
Tongue  
Edible lards

Hurricane lanterns, from 5 per cent to 35 per cent ad valorem.

Dry core telephone cable, from various rates of duty to 50 per cent ad valorem.

Electric power cable, from various rates of duty to 30 per cent ad valorem.

P.V.C. cables and wires, from various rates of duty to 25 per cent ad valorem.

Wool felt shapes (for men's and boys' hats), from 15 per cent to 35 per cent ad valorem or 28s. per dozen, whichever is the greater.

Sensitized paper and cloth for plan reproduction purposes, from various rates of duty to 30 per cent ad valorem.

Woven worsted piece goods containing 50 per cent or less by weight of wool or hair, or wool and hair mixed, to 50 per cent ad valorem under section sixty-five bis of the Customs Act.

Worsted machine knitting yarns containing 50 per cent or less by weight of wool to 50 per cent ad valorem under section sixty-five bis of the Customs Act.

Kaffir sheeting, the free-on-board price of which does not exceed 8s. per lb. by weight of material, from various rates of duty to 30 per cent (intermediate rate) and 40 per cent ad valorem (maximum rate).

Canvas piece goods of cotton, flax or mixtures thereof, whether or not painted or surface-coated, and classified for customs purposes under items 75 (1) and (2), from various rates of duty to 30 per cent (intermediate rate) and 40 per cent ad valorem (maximum rate) plus a special suspended duty of 10 per cent ad valorem in terms of section sixty-five bis of the Customs Act.

*Bringing into operation of the suspended duty on:*

All woven cotton piece goods (other than printed materials with a fast dye) the free-on-board price of which does not exceed 8s. per lb. by weight of material, to the extent of the whole suspended duty.

Grey or unbleached cotton yarns in counts 6s. to 50s. for manufacture into sewing thread, to the extent of 15 per cent (intermediate rate) and 20 per cent ad valorem (maximum rate).

Knitting yarns in counts 6s. to 50s. of cotton, spun rayon or mixtures thereof, to the extent of 10 per cent (intermediate rate) and 15 per cent ad valorem (maximum rate).

Spun rayon yarns in counts 6s. to 50s., to the extent that the existing specific rates are less than 15 per cent (intermediate rate) and 25 per cent ad valorem (maximum rate).

The suspended duty, if put into effect, would be additional to any existing duties on these products.

Interested Canadian firms may wish to have their views on tariff inquiries placed before the Board of Trade and Industries. The most effective method of making representations would be for Canadian firms to request their representatives in South Africa to act on their behalf before the Board.

## **United Kingdom**

**RESTRICTIONS ON SOFTWOOD PLYWOOD RELAXED**—The Board of Trade announced on August 27th that it is prepared to consider applications for Open Individual Licences to import plywood, laminboard, blockboard, or battenboard, manufactured wholly from softwood, when originating in and consigned from Canada, the United States, or other countries of the dollar area.

The licences issued will be valid without limit as to quantity, value or period of validity.

Previously, these products, when originating in dollar countries, were subject to specific licence covering a particular transaction, which was issued only where the Board of Trade was satisfied that the material was for an essential use and that it was impracticable to obtain it from non-dollar sources.

The effect of the new announcement is to place imports of dollar softwood plywood in the same category as imports from European and other non-dollar non-sterling countries. Imports from sterling area countries are admissible under Open General Licence.

## **United States**

**TARIFF COMMISSION ANNOUNCES HARD-BOARD INVESTIGATION**—The U.S. Tariff Commission announced on August 12 that an investigation of the domestic hardboard industry has been instituted, pursuant to the resolution by the Senate Finance Committee directing the Commission to report before February 28, 1955, the facts relative to production, trade, imports, and consumption in the United States, taking into account relevant factors affecting the domestic economy and national security, including the interests of consumers and producers, a comparison of wage rates in the United States and abroad, costs of transportation to the principal consuming centres, and other factors bearing on cost of production and distribution. The report is also to include a statement of findings with regard to the proper tariff classification of hardboard, and a statement of findings as to the effect upon the competitive position of the domestic hardboard industry of the present tariff status of imported hardboard.

The announcement stated that public hearings will be held beginning December 7, 1954, at the Tariff Commission, 8th and E. Streets, N.W., Washington, D.C., and all interested parties desiring to appear and be heard at the hearings should notify the Secretary of the Commission, in writing, at its office in Washington.

**NOTICE OF INVESTIGATION INTO IMPORTS OF OATS**—The following public notice was issued on August 23rd by the United States Tariff Commission:

*"Institution of Investigation*—By direction of the President, dated August 20, 1954, the United States Tariff Commission on the 23rd day of August 1954 instituted, and hereby gives notice of, an investigation under section 22 of the Agricultural Adjustment Act, as amended, and Executive Order No. 7233 of November 23, 1935, for the purpose of determining whether *oats, hulled or unhulled and unhulled ground oats* are practically certain to be imported into the United States after September 30, 1954, under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with the price-support program undertaken by the United States Department of Agriculture with respect to oats pursuant to sections 301 and 401 of the Agricultural Act of 1949, as amended, or to reduce substantially the amount of products processed in the



United States from domestic oats with respect to which such program is being undertaken."

A hearing was to be held in the Tariff Commission Building, Washington, on September 8th.

**NOTICE OF INVESTIGATION INTO IMPORTS OF BARLEY AND BARLEY MALT**—The following public notice was issued on August 23 by the United States Tariff Commission:

*"Institution of Investigation*—By direction of the President, dated August 20, 1954, the United States Tariff Commission on the 23rd day of August 1954 instituted, and hereby gives notice of, an investigation under section 22 of the Agricultural Adjustment Act, as amended, and Executive Order No. 7233 of November 23, 1935, for the purpose of determining whether *barley, hulled or unhulled, including rolled barley and ground barley, and barley malt* are being or are practically certain to be imported into the United States after September 30, 1954, under such conditions and in such quantities as to render or tend to render ineffective or materially interfere with the price-support program undertaken by the United States Department of Agriculture with respect to barley pursuant to sections 301 and 401\* of the Agricultural Act of 1949, as amended, or to reduce substantially the amount of products processed in the United States from domestic barley with respect to which such program is being undertaken."

A hearing was to be held in the Tariff Commission Building, Washington, on September 9th.

**TARIFF COMMISSION ORDERS HEARINGS ON FLUORSPAR**—Pursuant to a resolution adopted by the Committee on Finance of the United States Senate on August 14, 1954, the United States Tariff Commission, on August 18, 1954, instituted an investigation under the provisions of section 332 of the Tariff Act of 1930, as amended, of the domestic fluorspar industry.

The resolution directs the Commission to report the results of its investigation to the Senate Finance Committee and to include in the report the facts determined relative to production, trade, imports, and consumption in the United States, taking into account all relevant factors affecting the domestic economy, including the interests of consumers, processors, and producers, a comparison of wage rates in the United States and abroad, costs of transportation to the principal consuming centres, and other factors bearing on cost of production and distribution. The report is also to include a statement of findings as to the effect upon the competitive position of the

domestic fluorspar industry of the present tariff\* status of imported fluorspar.

**Hearings**—The resolution requires that interested parties be given opportunity for hearing in the course of the investigation. Accordingly, public hearings in connection with the subject matter of the investigation will be held beginning October 19, 1954, at 10:00 a.m., E.S.T., in the Hearing Room of the Tariff Commission, Eighth and E Street NW., Washington, D.C.

**Request to appear at the hearings**—All interested parties desiring to appear and be heard at the hearings should notify the Secretary of the Commission, in writing, at its office in Washington, D.C., in advance of the hearings.

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\*The present tariff on fluorspar containing over 97 per cent calcium chloride is \$2.10 per ton, and on fluorspar containing not over 97 per cent calcium chloride, \$8.40 per ton.

## Venezuela

**TABLE POTATO IMPORTS**—Venezuela will grant import licences for 23,000 metric tons of table potatoes during the period September 1, 1954, to January 15, 1955, according to an official notice issued today. The distribution of the quota is to be in proportion to the potato imports made by the applicant during the previous licensing period.

Venezuelan statistics show imports of 31,000 metric tons of table potatoes for the calendar year 1953, of which Canada supplied 6,200 tons—Caracas, Aug. 20.

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## Data for Exporters

*The International Trade Relations Branch of the Department of Trade and Commerce has prepared bulletins covering shipping documents and customs regulations of the following countries: Austria, Belgium, Belgian Congo, Bolivia, Brazil, Chile, Colombia, Cuba, Denmark, Dominican Republic, Egypt, Finland, France, Western Germany, Greece, Guatemala, Haiti, Iceland, Indonesia, Israel, Italy, Mexico, Netherlands, Netherlands Antilles, Nicaragua, Norway, Panama, Peru, Surinam (Netherlands Guiana), Sweden, Switzerland and Venezuela.*

*If you wish copies, write to the Branch. Data on other countries will be compiled from time to time and will be added to this list.*

# Australia Cuts Its Income Taxes

*Reduction in income taxes was the highlight of the Australian Budget for the 1954-55 fiscal year, brought down late in August. Other main features of this Budget are discussed in this Sydney report.*

C. M. FORSYTH-SMITH, *Commercial Secretary, Sydney.*

**PRINCIPAL FEATURE** of the Australian Budget, introduced on August 18th, was the substantial income tax concessions, affecting all sections of the community. These tax cuts range from 20 per cent on lower incomes to 8 per cent for the £8,000 to £16,000 a year bracket and the tax limit was set at 13/4 in the pound instead of the former 14/-.

The Budget also included considerable reductions in the sales tax. On furniture and some household items—including crockery, cutlery, floor coverings, and household appliances—it was cut from 12½ per cent to 10 per cent; on toys, fireworks, amusement equipment, musical instruments, confectionery and ice cream, it went down to 12½ per cent compared with the former 16½ per cent. The tax on goods such as machinery for mining, building and construction was abolished.

## Changes in Budget

Other changes in the Budget included:

- Abolition of payroll tax on payrolls up to £6,240 a year; the previous limit was £4,160 a year.
- An extra grant of 7/6 per week to general rate war pensioners and to war widows.
- Exemption from the means test of blind persons eligible for pensions and changes in the means test for old age pensions which will result in increased pensions to 90,000 pensioners and partial pensions for many thousands more.
- Cut in the duties on brandy of 30/- a proof gallon, which will mean a fall in the price of brandy of about 4/- a bottle and equivalent reductions in the price of fortified wines.
- Tax relief on annuities.
- Concessions to assist mining development.
- Provision of £1.5 million for homes for the aged.

The Commonwealth Treasurer, the Rt. Hon. Sir Arthur Fadden, in presenting his Budget, forecast a surplus for the fiscal year 1954-55, with total expendi-

ture estimated at £1,014,849,000 and total revenue at £1,050,100,000. Despite the tax concessions, which total about £46.6 million, this estimated revenue is only about £1.5 million less than last year; expenditure is up about £54 million. This was made possible by the exceptionally large budget surplus in 1953-54.

## Reviewing the Year

In reviewing the fiscal year 1953-54, Sir Arthur spoke of it as one of stable, genuine and widely spread prosperity, possibly unequalled in Australia's history. Industrial activity increased, development projects progressed, and labour, materials, power and other facilities proved adequate to meet the demand. Retail and wholesale prices were generally steady throughout the year and wage rates and other main elements contributing to costs had also remained stable. At the same time, civilian employment increased by 90,000 and national income rose by 5 per cent. The volume of production over a wide range of industries was high and output of iron, steel, coal, copper, zinc and many building materials approached or surpassed previous record figures. There was also a notable increase in the manufacture of many articles such as domestic refrigerators, rayon fabrics, hosiery and motor bodies. Electricity generation reached its highest level.

Despite these favourable conditions, said the Treasurer, certain stresses are appearing in the economy. The shortage of labour, particularly in the basic industries and services, has increased; some raw materials, such as steel and certain building materials, have become scarce; the demand for consumption goods is tending to rise; and a degree of unhealthy financial speculation is appearing in certain sectors of the market.

The most significant aspect of the economy is that pressure on resources has again appeared and, to judge from present indications, is likely to grow. If labour shifts away from the basic industries and key materials become more difficult to obtain, the defence effort and development projects may be retarded and industrial productivity will fall.



In making up his Budget, Sir Arthur explained, he observed the essential principle that when the nation's capacity is almost fully extended, revenue should balance expenditure. Thus the Budget provided not only for necessarily larger commitments but also, through tax deductions, encouraged effort, saving, and enterprise. He pointed out that certain expenditures—among them defence, social services, and those for public works projects already under way—must inevitably increase. However, after making provision for essential expenditures and taking thought for the commitments Australia may soon have to face, the

Treasurer felt able to make certain tax reductions and still attain a balanced Budget.

The general reaction to the Budget here in Australia has been favourable, probably because of the substantial income tax changes. Businessmen in general, however, and manufacturers in particular, have expressed disappointment that no concessions were made in rates of depreciation on capital expenditure. Opinion had been that the Budget would contain some such concessions as a step towards lowering production costs.



## trade commissioners on tour

FROM TIME TO TIME Canadian Trade Commissioners return to Canada to bring themselves up-to-date on conditions here and to renew their contacts with businessmen. Details of their itineraries appear under this heading, as a service to exporters and importers who wish to discuss trading problems with them.

K. F. NOBLE, Canadian Government Trade Commissioner in Johannesburg, South Africa, began his Canadian tour in St. Hyacinthe on September 7th. His itinerary is:

Montreal—Sept. 20-30  
Brockville—Oct. 4, p.m.  
Toronto—Oct. 5-15  
Hamilton—Oct. 18  
St. Catharines—Oct. 19, a.m.  
Welland—Oct. 19, p.m.  
Woodstock—Oct. 20, a.m.  
Brantford—Oct. 20, p.m.—21, a.m.  
Guelph—Oct. 21, p.m.

Kitchener—Oct. 22  
London—Oct. 25  
Windsor—Oct. 26  
Sarnia—Oct. 27  
Edmonton—Nov. 4-5  
Calgary—Nov. 8  
Victoria—Nov. 24  
Vancouver—Nov. 25-30

T. G. MAJOR, Canadian Government Trade Commissioner in Dublin, Republic of Ireland and Belfast,

Northern Ireland, began his Canadian tour in Ottawa on September 7th. His itinerary is:

Vancouver—Sept. 16-21	Hamilton—Oct. 12
Edmonton—Sept. 24-27	London—Oct. 13
Winnipeg—Sept. 29	Windsor—Oct. 14
Toronto—Oct. 1-7	St. Catharines—Oct. 15
Guelph—Oct. 8	

W. J. MILLYARD, Commercial Secretary in Bogotá, Colombia, begins his Canadian tour in Ottawa on September 20th. His itinerary is:

Ottawa—Sept. 20-24	Sackville—Oct. 1, p.m.
Saint John—Sept. 27-28	Quebec City—Oct. 6-7
Halifax—Sept. 30	St. Hyacinthe—Oct. 8
Amherst—Oct. 1, a.m.	Montreal—Oct. 12-22

Businessmen in the various centres may get in touch with these officers through the following organizations:

*Board of Trade*—Brantford, Guelph, Halifax, Montreal, Sackville, Saint John, Woodstock.

*Chamber of Commerce*—Brockville, Calgary, Hamilton, Kitchener, London, Quebec, St. Catharines, St. Hyacinthe, Sarnia, Welland, Windsor.

*Canadian Manufacturers Association*—Amherst, Edmonton, Toronto, Winnipeg.

*Department of Trade and Commerce*—Ottawa, Vancouver (355 Burrard Street).

*Department of Trade and Industry*—Victoria.

# foreign trade service abroad

\* No Foreign Trade Officer at this post.

Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

Territory	Officer	City Address	Mail and Cables, Office Telephone
<b>Argentina</b>	C. S. Bissett, Commercial Counsellor  W. F. Hillhouse, Agricultural Secretary	Canadian Embassy, Bartolome Mitre 478, BUENOS AIRES	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-8237
<b>Australia</b> (Capital Territory, New South Wales, Queensland, Northern Territory) Dependencies	C. M. Croft, Commercial Counsellor for Canada  C. M. Forsyth-Smith, Commercial Secretary	City Mutual Life Building, 60 Hunter Street, SYDNEY	<i>Mail:</i> P.O. Box 3952 G.P.O. <i>Cable:</i> CANADIAN <i>Tel.:</i> BW 9351
<b>Australia</b> (Victoria, South Australia, Western Australia, Tasmania)	R. W. Blake, Commercial Secretary for Canada and Agricultural Secretary	83 William Street, MELBOURNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MU 4716
<b>Belgian Congo</b> Angola, French Equatorial Africa	A. B. Brodie, Canadian Government Trade Commissioner	Forescom Building, LEOPOLDVILLE 1.	<i>Mail:</i> Boîte Postale 373 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2706
<b>Belgium</b> Luxembourg	T. J. Monty, Commercial Secretary  K. G. Ramsay, Assistant Commercial Secretary	Canadian Embassy, 35 rue de la Science, BRUSSELS	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 11-33-88
<b>Brazil</b>	C. J. Van Tighem, Commercial Secretary  H. M. Maddick, Assistant Commercial Secretary	Canadian Embassy, Edificio Metropole, Av. Presidente Wilson 165, RIO DE JANEIRO	<i>Mail:</i> Caixa Postal 2164 <i>Cable:</i> CANADIAN <i>Tel.:</i> 42-4140
<b>Brazil</b>	M. P. Carson, Consul and Trade Commissioner  G. F. Osbaldeston, Vice Consul and Assistant Trade Commissioner	Canadian Consulate, Edificio Alois, Rua 7 de Abril 252, SAO PAULO	<i>Mail:</i> Caixa Postal 6034 <i>Cable:</i> CANADIAN <i>Tel.:</i> 36-6301
<b>*Ceylon</b>	Office of the High Commissioner for Canada	6 Gregory's Road, Cinnamon Garden, COLOMBO	<i>Mail:</i> P.O. Box 1006 <i>Cable:</i> DOMCANADA <i>Tel.:</i> 91341
<b>Chile</b>	R. E. Gravel, Commercial Secretary	Canadian Embassy, 6th Floor, Av. General Bulnes, 129, SANTIAGO	<i>Mail:</i> Casilla 771 <i>Cable:</i> CANADIAN <i>Tel.:</i> 64189
<b>Colombia</b> Ecuador	W. J. Millyard, Commercial Secretary  J. P. Lancaster, Assistant Commercial Secretary	Canadian Embassy, Avenida Jimenez No. 7-25, Office 613, BOGOTA	<i>Mail:</i> Apartado 1618 <i>Airmail:</i> Apartado Aereo 3562 <i>Cable:</i> CANADIAN <i>Tel.:</i> 12-251
<b>Cuba</b>	G. A. Browne, Commercial Secretary	Canadian Embassy, Edificio Motor Centre, Calle Infanta 16, HAVANA	<i>Mail:</i> Apartado 1945 <i>Cable:</i> CANADIAN <i>Tel.:</i> UO-9457
<b>Dominican Republic</b> Haiti, Puerto Rico	Canadian Government Trade Commissioner	Edificio Copello 408, Calle El Conde, CIUDAD TRUJILLO	<i>Mail:</i> Apartado 451 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5318
<b>Dominican Republic</b> Haiti, Puerto Rico Jamaica	E. M. Gosse, Canadian Trade Commissioner (Fisheries)		



<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone</b>
<b>Egypt</b> Aden, Sudan, Cyprus, Ethiopia, Saudi Arabia	M. R. M. Dale, Canadian Government Trade Commissioner	Osiris Building, Sharia Walda, Kasr-el-Doubara, CAIRO	Mail: P.O. Box 1770 Cable: CANADIAN Tel.: 23110
<b>France</b> Algeria, French Morocco, French West Africa, Tunisia	B. C. Butler, Commercial Counsellor for Canada  J. H. Stone, Assistant Commercial Secretary	3 rue Scribe, PARIS	Mail: (City Address) Cable: CANADIAN Tel.: OPERA 42-30
<b>Germany</b> Federal Republic	B. A. Macdonald, Commercial Counsellor  I. V. Macdonald, Assistant Commercial Secretary	Canadian Embassy, 22 Zitelmannstrasse, BONN	Mail: (City Address) Cable: CANADIAN Tel.: Bonn 21971
<b>Greece</b> Israel, Turkey	H. W. Richardson, Commercial Secretary	Canadian Embassy, 31 Vassilissis Sophias Ave., ATHENS	Mail: (City Address) Cable: CANADIAN Tel.: 74044
<b>Guatemala</b> Costa Rica, El Salvador, Honduras, Nicaragua, Panama and Canal Zone	J. C. Depocas, Canadian Government Trade Commissioner  J. R. Midwinter Assistant Trade Commissioner	5a Avenida Sud, 10-68 GUATEMALA CITY	Mail: P.O. Box 444 Airmail: P.O. Box 400 Cable: CANADIAN Tel.: 5590
<b>Hong Kong</b> China, Indo-China, Macao, Taiwan	T. R. G. Fletcher, Canadian Government Trade Commissioner  M. B. Blackwood, Assistant Trade Commissioner	Hong Kong and Shanghai Banking Corporation Bldg., HONG KONG	Mail: P.O. Box 126 Cable: CANADIAN Tel.: 28336
<b>India</b>	Richard Grew, Commercial Counsellor	Office of the High Commissioner for Canada, 4 Aurangzeb Road, NEW DELHI	Mail: P.O. Box 11 Cable: CANADIAN Tel.: 40191
<b>India</b>	D. M. Holton, Canadian Government Trade Commissioner  W. P. Birmingham, Assistant Trade Commissioner	Gresham Assurance House, Mint Road, BOMBAY	Mail: P.O. Box 886 Cable: CANADIAN Tel.: 20672
<b>Indonesia</b>	W. D. Wallace, Commercial Secretary	Canadian Embassy, Tanah Abang Timur 2, DJAKARTA	Mail: (City Address) Cable: CANADIAN Tel.: Gambir 499
<b>Ireland</b>	T. G. Major, Commercial Counsellor for Canada	66 Upper O'Connell St., DUBLIN	Mail: (City Address) Cable: CANADIAN Tel.: 44251
<b>Italy</b> Libya, Malta, Yugoslavia	S. G. MacDonald, Commercial Counsellor  Assistant Commercial Secretary	Canadian Embassy, Via Saverio Mercadante 15, ROME	Mail: (City Address) Cable: CANADIAN Tel.: 846-842
<b>Italy</b>	C. F. Wilson, Agricultural Counsellor		
<b>Italy</b>	M. S. Strong, Commercial Secretary (Fisheries)		

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone</b>
<b>Jamaica</b> Bahamas, British Honduras	M. B. Palmer, Canadian Government Trade Commissioner	Canadian Bank of Commerce Chambers, KINGSTON	<i>Mail:</i> P.O. Box 225 <i>Cable:</i> CANADIAN <i>Tel.:</i> 2858
<b>Japan</b> Korea	J. C. Britton, Commercial Counsellor	Canadian Embassy, Tokyo	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 48-4116
	R. F. Renwick, Assistant Commercial Secretary		
Japan	Paul Sykes, Canadian Government Trade Commissioner	7th Floor, Crescent Bldg., 72 Kyomachi, Ikutaku, KOBE	<i>Mail:</i> P.O. Box 513 <i>Cable:</i> CANADIAN <i>Tel.:</i> 48966
<b>Lebanon</b> Iraq, Jordan, Syria	G. F. G. Hughes, Canadian Government Trade Commissioner	Centre Urbain Emir Beshir, Bâtiment A1, Rue Emir Beshir, L'Azariah, BEIRUT	<i>Mail:</i> Boîte Postale 2300 <i>Cable:</i> CANADIAN <i>Tel.:</i> 30794
<b>Mexico</b>	M. T. Stewart, Commercial Counsellor	Canadian Embassy, Edificio Internacional, Paseo de la Reforma, MEXICO, D. F.	<i>Mail:</i> Apartado 126-Bis <i>Cable:</i> CANADIAN <i>Tel.:</i> 36-27-90
	C. O. R. Rousseau, Assistant Commercial Secretary		
<b>Netherlands</b>	V. L. Chapin, Commercial Secretary	Canadian Embassy, Sophialaan 1-A, THE HAGUE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 18-51-06
Netherlands Belgium, Denmark, Luxembourg	C. J. Small, Acting Agricultural Secretary		
<b>New Zealand</b> Fiji, Western Samoa	L. S. Glass, Commercial Counsellor	Office of the High Commissioner for Canada, Government Life Insurance Bldg., WELLINGTON	<i>Mail:</i> P.O. Box 1660 <i>Cable:</i> CANADIAN <i>Tel.:</i> 70-644
<b>Norway</b> Denmark, Greenland, Iceland	J. L. Mutter, Commercial Counsellor	Canadian Legation, Fridtjof Nansens Plass 5, OSLO	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 33-30-80
<b>Pakistan</b> Afghanistan, Iran	R. K. Thomson, Commercial Secretary	Office of the High Commissioner for Canada, Hotel Metropole, Victoria Rd., KARACHI	<i>Mail:</i> P.O. Box 3703 <i>Cable:</i> CANADIAN <i>Tel.:</i> 5826
<b>Peru</b> Bolivia	H. J. Horne, Commercial Secretary	Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin, LIMA	<i>Mail:</i> Casilla 1212 <i>Cable:</i> CANADIAN <i>Tel.:</i> 71150
<b>Philippines</b>	F. H. Palmer, Consul General and Trade Commissioner	Canadian Consulate General, Ayala Building, Juan Luna Street, MANILA	<i>Mail:</i> P.O. Box 1825 <i>Cable:</i> CANADIAN <i>Tel.:</i> 3-33-35
	H. E. Lemieux, Vice Consul and Assistant Trade Commissioner		
<b>Portugal</b> Azores, Madeira	L. M. Cosgrave, Commercial Counsellor	Canadian Legation, Avenida de Praia da Vitoria, 48-1°D., LISBON	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 53117
<b>Singapore</b> Brunei, Burma, Federation of Malaya, North Borneo, Sarawak, Thailand	D. S. Armstrong, Canadian Government Trade Commissioner	Room F-3, Union Building, SINGAPORE	<i>Mail:</i> P.O. Box 845 <i>Cable:</i> CANADIAN <i>Tel.:</i> 7739
<b>South Africa</b> (Natal, Transvaal) Federation of Rhodesia and Nyasaland, Mozambique, Kenya, Tanganyika, Uganda, Zanzibar	K. F. Noble, Canadian Government Trade Commissioner	Mutual Building, Harrison Street, JOHANNESBURG	<i>Mail:</i> P.O. Box 715 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 33-2628
	H. E. Campbell, Assistant Trade Commissioner		



<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone</b>
South Africa (Cape Province, Orange Free State), Southwest Africa, Mauritius, Madagascar	A. W. Evans, Canadian Government Trade Commissioner	Grand Parade Centre Bldg., Adderley Street, CAPE TOWN	<i>Mail:</i> P.O. Box 683 <i>Cable:</i> CANTRACOM <i>Tel.:</i> 2-5134/5
<b>Spain</b> Balearic Islands, Canary Islands, Gibraltar, Rio de Oro, Spanish Morocco, Tangier	B. I. Rankin, Commercial Secretary	Canadian Embassy, Edificio España, Avenida de Jose Antonio 88, MADRID	<i>Mail:</i> Apartado 117 <i>Cable:</i> CANADIAN <i>Tel.:</i> 22-28-10
<b>Sweden</b> Finland	F. W. Fraser, Commercial Counsellor  L. A. Campeau, Commercial Secretary	Canadian Legation, Strandvagen, 7-C, STOCKHOLM	<i>Mail:</i> P.O. Box 14042 <i>Cable:</i> CANADIAN <i>Tel.:</i> 67-92-15
<b>Switzerland</b> Austria, Czechoslovakia, Hungary	W. Van Vliet, Commercial Secretary  W. R. Hickman, Assistant Commercial Secretary	Canadian Embassy, Kirchenfeldstrasse 88, BERNE	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> 4-63-81
<b>Trinidad</b> Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French Guiana, French West Indies	P. V. McLane, Canadian Government Trade Commissioner  Assistant Trade Commissioner	Colonial Building, 72 South Quay, PORT-OF-SPAIN	<i>Mail:</i> P.O. Box 125 <i>Cable:</i> CANADIAN <i>Tel.:</i> 34787
<b>United Kingdom</b> (South of England, East Anglia, Scotland), British West Africa (Gambia, Gold Coast, Nigeria, Sierra Leone)	R. P. Bower, Commercial Counsellor  R. Campbell Smith, Commercial Secretary  T. M. Burns, Assistant Commercial Secretary  W. G. Pybus, Assistant Commercial Secretary	Office of the High Commissioner for Canada, Canada House, Trafalgar Square, LONDON, S.W.1	<i>Mail:</i> (City Address) <i>Cable:</i> SLEIGHING <i>Tel.:</i> Whitehall 8701
United Kingdom	D. A. B. Marshall, Commercial Secretary (Agricultural)		
United Kingdom	G. H. Rochester, Commercial Secretary (Timber)		<i>Cable:</i> TIMCOM
United Kingdom (Midlands, North England, Wales)	Canadian Government Trade Commissioner	Martins Bank Building, Water Street, LIVERPOOL	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> Central 0625
United Kingdom (Northern Ireland)	T. G. Major, Canadian Government Trade Commissioner	36 Victoria Square, BELFAST	<i>Mail:</i> (City Address) <i>Tel.:</i> 21867
<b>United States</b> Delaware, Maryland, Virginia, West Virginia	R. G. C. Smith, Commercial Counsellor  E. H. Maguire, Commercial Secretary	Canadian Embassy, 1746 Massachusetts Ave., N.W., WASHINGTON 6, D.C.	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> DEcatur 2-1011
United States	Dr. W. C. Hopper, Agricultural Counsellor  W. L. Porteous, Assistant Agricultural Secretary		

<b>Territory</b>	<b>Officer</b>	<b>City Address</b>	<b>Mail and Cables, Office Telephone</b>
United States (Connecticut, New Jersey, Pennsylvania, New York), Bermuda, Liberia	S. V. Allen, Consul and Senior Trade Commissioner  C. R. Gallow, Consul and Trade Commissioner  C. E. Butterworth, Vice Consul and Assistant Trade Commissioner	Canadian Consulate General, 620 Fifth Ave., New York City 20	<i>Mail:</i> (City Address) <i>Cable:</i> CANTRACOM <i>Tel.:</i> JUDson 6-2400
United States (Massachusetts, Maine, Rhode Island, Vermont, New Hampshire)	D. H. Cheney, Vice Consul and Trade Commissioner	Canadian Consulate General, 532 Little Building, 80 Boylston Street, BOSTON 16	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> HANcock 6-4320
United States (Illinois, North Dakota, South Dakota, Minnesota, Wisconsin, Indiana, Iowa, Kansas, Nebraska, Kentucky, Missouri)	R. V. N. Gordon, Vice Consul and Trade Commissioner	Canadian Consulate General, Chicago Daily News Bldg., 400 West Madison Street, CHICAGO 6	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> STate 2-7312
United States (Michigan, Ohio)	M. J. Vechsler, Consul and Trade Commissioner  J. H. Bailey, Vice Consul and Assistant Trade Commissioner	Canadian Consulate, 1035 Penobscot Building, DETROIT 26	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> WOODward 5-2811
*United States (City of Los Angeles, Southern California, Arizona)	Consul General	Canadian Consulate General, 510 West Sixth Street, LOS ANGELES 14	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> VANDike 2233
United States (Louisiana, Texas, Oklahoma, Arkansas, Mississippi, Tennessee, Alabama, North Carolina, South Carolina, Georgia, Florida)	G. A. Newman, Consul and Trade Commissioner  A. A. Caron Vice Consul and Assistant Trade Commissioner	Canadian Consulate, 215-217 International Trade Mart, NEW ORLEANS 12	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> RAYmond 2136
*United States (Northern California, Wyoming, Nevada, Utah, Colorado, New Mexico), Hawaii	Consul General	Canadian Consulate General, 3rd Floor, Kohl Building, 400 Montgomery Street, SAN FRANCISCO 4	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> SUTter 1-3039
*United States (Oregon, Idaho, Washington, Montana), Alaska	Consul General	Canadian Consulate General, The Tower Building Seventh Avenue at Olive Way, SEATTLE 1, Washington	<i>Mail:</i> (City Address) <i>Cable:</i> CANADIAN <i>Tel.:</i> MUTual 3515
Uruguay Paraguay	W. Gibson-Smith, Commercial Secretary	Canadian Embassy, MONTEVIDEO	<i>Mail:</i> Casilla Postal 852 <i>Cable:</i> CANADIAN
Venezuela Netherlands Antilles	F. B. Clark, Acting Commercial Secretary	Canadian Embassy, Edificio Pan American, Puente Urapal, CARACAS	<i>Mail:</i> Apartado 3306 <i>Cable:</i> CANADIAN <i>Tel.:</i> 55818
Venezuela Colombia	D. B. Loughton, Acting Agricultural Secretary		



The following nominal quotations may prove useful in checking prices. Canadian traders should consult their banks before making any firm commitments.

Conversions into Canadian dollars have been made at cross rates with sterling or the United States dollar on the date shown.

Except when buying and selling rates are specified, the mid rates only are quoted. The buying rate is that at which banks purchase exchange from exporters. The selling rate is that at which banks sell exchange to importers.

When several rates are indicated, the rate applicable depends on the commodity traded. Information on the rate for any specific commodity may be obtained from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Rates used exclusively in non-merchandise trading are *not* included in the table.

For conversion to United States dollar equivalents multiply by 1.02927.

# foreign exchange rates

Country	Unit	Type of Exchange	Canadian dollar equiv. Sept. 3	Notes (See below)
Argentina .....	Peso .....	Preferential buying .....	.1295	
		Basic buying .....	.1943	
		Preferential selling .....	.1943	(1)
		Basic selling .....	.1295	
		Free .....	.06994	
Austria .....	Schilling ...	.....	.03737	
Australia .....	Pound .....	.....	2.1815	
Belgium Luxem- bourg & Belgian Dependencies ...	Franc .....	.....	.01944	
Bolivia .....	Boliviano ...	Official .....	.00511	
British West Indies	Dollar .....	.....	.5681	(3)
	Pound .....	.....	2.7269	(4)
	Dollar .....	Brit. Honduras .....	.6817	
Brazil .....	Cruzeiro ...	Official selling .....	.05315	tax 8%
		Official buying, coffee ...	.04159	(2)
		Official buying, other ...	.03426	(5)
		Free .....	.01555	
Burma .....	Kyat .....	.....	.2040	
Ceylon .....	Rupee .....	.....	.2045	
Chile .....	Peso .....	Official .....	.00883	(1)
Colombia .....	Peso .....	Basic .....	.3886	
Costa Rica .....	Colon .....	Official .....	.1730	(6)
		Controlled free .....	.1463	
Cuba .....	Peso .....	.....	.9716	tax 2%
Czechoslovakia ...	Koruna .....	.....	.1349	
Denmark .....	Krone .....	.....	.1407	
Dominican Republic .....	Peso .....	.....	.9716	
Ecuador .....	Sucre .....	Official .....	.06477	
		Free .....	.05616	
Egypt .....	Pound .....	.....	2.7899	
Fiji .....	Pound .....	.....	2.4566	
Finland .....	Markka ...	.....	.00422	
France .....	Franc .....	.....	.00278	(7)
French Africa ...	Franc .....	.....	.00556	(8)
French Pacific ...	Franc .....	.....	.01528	(9)
Germany .....	D Mark ...	.....	.2313	
Greece .....	Drachma ...	.....	.03238	
Guatemala .....	Quetzal ...	.....	.9716	
Haiti .....	Gourde ...	.....	.1943	
Honduras .....	Lempira ...	.....	.4858	
Hong Kong .....	Dollar .....	Free .....	.1672	*Aug. 20
Iceland .....	Krona .....	Official .....	.05966	
		Special buying .....	.04594	
		Special selling .....	.03701	
India .....	Rupee .....	.....	.2045	
Indonesia .....	Rupiah ...	Basic .....	.08522	(10)
Iran .....	Rial .....	Certificate .....	.01167	
Iraq .....	Dinar .....	.....	2.7204	

\* Latest available quotation date.



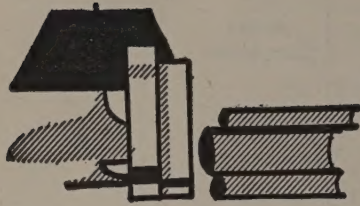
Country	Unit	Type of Exchange	Canadian dollar equiv. Sept. 3	Notes (See below)
Ireland .....	Pound .....	.....	2·7269	
Israel .....	Pound .....	Official .....	·9716	
		Premium .....	·5398	
Italy .....	Lira .....	.....	·00156	
Japan .....	Yen .....	.....	·00270	
Lebanon .....	Pound .....	Free .....	·3027	
Mexico .....	Peso .....	.....	·07772	
Netherlands .....	Guilder .....	.....	·2563	
Netherlands Antilles .....	Guilder .....	.....	·5152	
New Zealand .....	Pound .....	.....	2·7269	
Nicaragua .....	Cordoba .....	Effective buying .....	·1472	(11)
		Official selling .....	·1378	
		With Surcharge I .....	·1207	
		With Surcharge II .....	·09667	
Norway .....	Krone .....	.....	·1360	
Pakistan .....	Rupee .....	.....	·2937	
Panama .....	Balboa .....	.....	·9716	
Paraguay .....	Guarani .....	Basic .....	·04626	(1)
		With Surcharge I .....	·03598	
		With Surcharge II .....	·02699	(12)
Peru .....	Sol .....	Certificate .....	·05011	
Philippines .....	Peso .....	.....	·4858	tax 17% (2)
Portugal .....	Escudo .....	.....	·03391	(13)
El Salvador .....	Colon .....	.....	·3886	
Singapore & Malaya .....	Straits dollar .....	.....	·3181	
South Africa (Union of) .....	Pound .....	.....	2·7269	
Spain & Dependencies .....	Peseta .....	Basic buying .....	·04436	
		Basic selling .....	·08659	
		Basic commercial selling .....	·05915	(1)
		Free .....	·02494	
Sweden .....	Krona .....	.....	·1878	
Switzerland .....	Franc .....	.....	·2267	
Syria .....	Pound .....	Free .....	·2721	*July 30
Thailand .....	Baht .....	Official .....	·07773	(1)
		Free .....	·04546	*July 30
Turkey .....	Lira .....	.....	·3470	
United Kingdom .....	Pound .....	.....	2·7269	
United States .....	Dollar .....	.....	·9716	
Uruguay .....	Peso .....	Official .....	·6396	
		Basic buying .....	·5458	
		Special buying .....	·4134	(1)
		Basic selling .....	·5113	
		Special selling .....	·3966	
Venezuela .....	Bolivar .....	.....	·2900	(14)
Yugoslavia .....	Dinar .....	.....	·00324	

\* Latest available quotation date.

## notes

1. Additional rates are in effect for specified goods.
2. Tax affects selling (import) rates only; certain essential imports exempt.
3. Barbados, Trinidad, Tobago, Leeward and Windward Is., Brit. Guiana.
4. Bahamas, Bermuda, Jamaica.
5. Brazil: Effective selling is official plus auction price of certificates. Effective buying is 80 per cent at official, 20 per cent at free.
6. Costa Rica: Official rate applies to all Costa Rican exports.
7. Metropolitan France, Algeria, Tunisia, Morocco, French Guiana, Guadeloupe, Martinique.
8. Equatorial Africa, West Africa, Cameroons, Togoland, Somaliland, Madagascar, Reunion, St. Pierre and Miquelon.
9. New Caledonia, New Hebrides, Oceania.
10. Indonesia: Basic rate applies to all exports and essential imports. Rupiah value for other than essential imports is reduced by 33½ per cent, 100 per cent or 200 per cent depending on product.
11. Nicaragua: Effective buying rate applies to all Nicaraguan exports.
12. Paraguay: Basic rate applies to most Paraguayan exports.
13. Approximately same rate for currencies of Portuguese Territories in Africa.
14. Venezuela: There are special rates for exports of petroleum, cocoa and coffee.





## businessman's bookshelf

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### Canada 1954

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HERE, IN SMALL COMPASS, is an amazing variety of information about Canada. The curious can discover in its pages the financial outcome of last year's Stratford Shakesperean Festival, Canada's part in NATO, how many passenger cars were sold in Canada in 1953, the total revenue of the Federal Government in 1901, and so on. It covers briefly most aspects of Canada's economy, as well as social and cultural relations, health and educational services, and geographic features. The presentation of all this information deserves high praise.

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